"The Best Waterfront City in Which to Live, Work and Play."

CITY OF RIVIERA BEACH – MEMORANDUM

TO: HON. MAYOR, CHAIRPERSON, AND CITY COUNCIL

THROUGH: JONATHAN EVANS, MPA, MBA, ICMA-CM

FROM: JONATHAN BATISTA, INTERIM EXECUTIVE DIRECTOR

SUBJECT: **AMENDED CONTRACT FOR CARDINAL CONTRACTORS, INC.**

DATE: MARCH 17, 2021

CC: GENERAL PUBLIC

Background:

The Utility Special District Board of Directors approved Resolution 14-20UD on September 2, 2020 to execute a contract with Cardinal Contractors, Inc. Based on the recommendations of consultants as well as the District's desire to consistently move forward, staff is requesting an amendment to the respective Contract, Article 28 – Modifications of Work in an effort to establish a process for change orders as construction work begins at the water treatment plant.

More specifically, Article 28 reads: "If the District so instructs in writing, the Contractor shall suspend work on that portion of the Scope of Work affected by a contemplated change, pending the District's decision to proceed with the change. If the District elects to make the change, the District shall initiate a Contract Amendment and the Contractor shall not commence work on any such change until such written amendment is signed by the Contractor and approved and executed by the District's designated representative and approved by the City of Riviera Beach Utility Special District Board".

In particular, Article 28 limits the District's administrative and engineering staff's ability to expeditiously react to unforeseen conditions that could impact the budget and schedule of the previously approved water treatment plant projects. The current contract provides only one option, which requires Board approval for any changes which could significantly delay progress.



At this time, staff is proposing that Article 28 be amended so that it allows the District and its authorized representatives to issue change directives and change orders to make necessary and prudent alterations, reductions or additions to scope of work that impact contract price and contract time, while still remaining aligned with the intent of the work.

It is informed that field orders allow for minor changes that do not involve adjustments to contract price or time but are consistent with the intent of the contract documents. These change mechanisms are common for municipalities, including West Palm Beach and Palm Beach County.

It is also informed that change orders that impact the contract price by more than 10%, or have a significant impact on the schedule, it is the intent of District staff to seek prior approval of the USD Board. By having the means to enact changes as conditions warrant, District staff and representatives will be better equipped to deliver a more cost effective and timely work product.

City Goals:

The Citywide Goal is to Accelerate Operational Excellence.

Fiscal/Budget Impact:

There is no fiscal impact to the budget for the amended changes.

Recommendation:

The Utility Special District recommends the approval of the associated Resolution to assist with work orders for activities provided for on the original contract.

Attachments:

Resolution

Amended Contractor

