

City of Fayetteville Staff Review Form

2022-0764

Legistar File ID

9/6/2022

City Council Meeting Date - Agenda Item Only  
N/A for Non-Agenda Item

Paul Becker

8/17/2022

CHIEF FINANCIAL OFFICER (110)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

Approval of increasing contingency funds in the amount of \$50,000 for scope of work modifications as needed for the water sewer rate study being performed by Black & Veatch.

Budget Impact:

5400.720.1840.5314.00

Water/Sewer

Account Number

Fund

02064.1

Water & Sewer Rate / Operations Study

Project Number

Project Title

Budgeted Item? Yes

Current Budget \$ 67,381.06

Funds Obligated \$ -

Current Balance \$ 67,381.06

Does item have a cost? Yes

Item Cost \$ 50,000.00

Budget Adjustment Attached? No

Budget Adjustment \$ -

Remaining Budget \$ 17,381.06

V20210527

Purchase Order Number: 2020-0628

Previous Ordinance or Resolution # 212-20; 18-22

Change Order Number: N/A - Contingency Increase Only

Approval Date:

Original Contract Number: 2020-00000054

Comments: Change Order #3 in the amount of \$12,758 is in process (non-agenda, within current contingency).  
Current budget of \$67,381.06 is the balance after accounting for CO#3.



**MEETING OF SEPTEMBER 06, 2022**

**TO:** Mayor and City Council

**FROM:** Paul A. Becker, Chief Financial Officer

**DATE:** Wednesday, August 17, 2022

**SUBJECT:** Contingency increase of \$50,000 for Water & Sewer rate study with Black & Veatch

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**RECOMMENDATION:**

Approval of increasing contingency funds in the amount of \$50,000 for scope of work modifications as needed for the water sewer rate study being performed by Black & Veatch.

**BACKGROUND:**

The last Comprehensive Water and Sewer Rate Study for the City was completed in 2008. Since that time the rates have provided adequate revenues to fund operational and capital needs for the system because a 3% annual increase had been incorporated in the rate structure and ordinance approved by the City Council.

On August 18, 2020, City Council approved a contract with Black & Veatch via Resolution 212-20 in the amount of \$93,355 with a contingency in the amount of \$18,600. Resolution 18-22 was passed in January 2022 allocating project contingency funds in the amount of \$25,000.00.

Three Change Orders have been executed totaling \$43,213 for additional tasks related to water and wastewater structure options for the City to consider for implementation, taking the contract from \$93,355 to \$136,568.

**DISCUSSION:**

Due to the long passage of time since the last cost of service study was performed, the consequent shifts in cost impact among customer classes, and ongoing negotiations with wholesale customers, the City anticipates additional scope of work and change orders being necessary in order to complete the study.

The current request is for City Council to increase contingency funds by \$50,000. Change orders for the exact increase in scope will be modified via an additional formal change order, within the \$50,000 increased contingency, with the approval of the Water and Sewer Committee.

The original CIP estimate for this project was \$250,000. After approval of the additional \$50,000 in contingency, the project will still be within budget.

**BUDGET/STAFF IMPACT:**

Sufficient funds are budgeted in the project for this increase in contingency funds.

**Attachments:**

Resolution 212-20

Resolution 18-22



113 West Mountain Street  
Fayetteville, AR 72701  
(479) 575-8323

**Resolution: 212-20**

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**File Number: 2020-0643**

**RFQ 20-01 # 10 BLACK & VEATCH CORPORATION:**

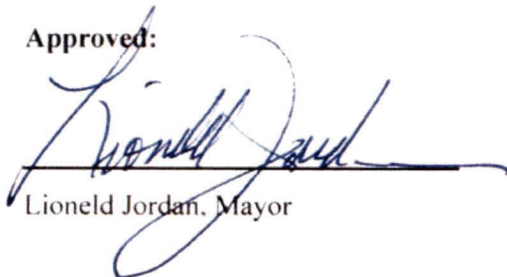
A RESOLUTION TO APPROVE A PROFESSIONAL ENGINEERING SERVICES AGREEMENT WITH BLACK AND VEATCH CORPORATION, PURSUANT TO RFQ 20-01 SELECTION #10, IN AN AMOUNT NOT TO EXCEED \$93,355.00 FOR A WATER AND SEWER RATE STUDY, AND TO APPROVE A PROJECT CONTINGENCY IN THE AMOUNT OF \$18,600.00

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:**

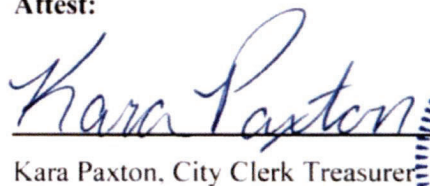
Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves a professional engineering services agreement with Black and Veatch Corporation, pursuant to RFQ 20-01 Selection #10, in an amount not to exceed \$93,355.00 for a water and sewer rate study, and further approves a project contingency in the amount of \$18,600.00.

PASSED and APPROVED on 8/18/2020

**Approved:**

  
Lioneld Jordan, Mayor

**Attest:**

  
Kara Paxton, City Clerk Treasurer





# City of Fayetteville, Arkansas

113 West Mountain Street  
Fayetteville, AR 72701  
(479) 575-8323

## Text File

File Number: 2020-0643

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Agenda Date: 8/18/2020

Version: 1

Status: Passed

In Control: City Council Meeting

File Type: Resolution

Agenda Number: A 6

### **RFQ 20-01 # 10 BLACK & VEATCH CORPORATION:**

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**Resolution: 212-20**

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Lioneld Jordan, Mayor

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