



MEMORANDUM

**To:** Mayor and City Council Members  
**CC:** Gregg Mandsager, City Administrator  
**From:** Jodi Royal-Goodwin, Housing Administrator  
**Date:** November 5, 2015  
**RE:** Approval of Agreement for Consulting Engineering Services with A&J Associates for the Replacement of Domestic Hot Water Heaters at The Clark House

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**INTRODUCTION:** The Muscatine Municipal Housing Agency (MMHA) is entering into an agreement with A&J Associates PC (A&J) for engineering and project management services associated with the replacement of domestic hot water heaters at The Clark House. The A&J fees, \$5,600, as well as the boiler replacement will be paid for from the Capital Fund Program for the public housing programs.

**BACKGROUND:** This is the third and final phase of replacing the boiler system at The Clark House. Phase 1, completed in FY2012, and Phase 2, in FY2013, replaced two and three heating boilers, respectively. A&J served as engineers and project managers for both of these phases. The existing hot water boilers are failing and maintenance is disruptive to the lives of the tenants and expensive.

**RECOMMENDATION:** The attached agreement for services has been reviewed and approved by staff. It is recommended the City Council approve the proposal for consulting engineering services with A&J Engineering for the replacement of domestic hot water heaters at The Clark House as attached hereto.

**DOCUMENTATION:**

Proposal for Consulting Engineering Services



**Muscatine Municipal Housing Authority, City of Muscatine, Iowa**

Domestic Water Heater Replacement for Clark House  
A&J #201540.00

**SCOPE OF WORK**

A&J Associates PC (A&J) proposes to provide consulting engineering services for the Muscatine Municipal Housing Authority (MMHA), City of Muscatine, Iowa for the design and construction of a domestic water heating system replacement project for the Clark House Building in Muscatine, Iowa:

1. The basis of agreement between A&J and MMHA for consulting engineering services will be this executed proposal.
2. Registered Professional Mechanical and Electrical Engineers from A&J will sign and seal the construction documents.
3. Design shall include:
  - Replace three existing "Glow Core" hot water heaters with three new high efficiency gas fired hot water heaters.
  - Demolish the existing water storage tanks and replace with new storage.
  - Water heaters shall be power vented to outdoors with combustion air intake from equipment room.
  - Provide one water circulator for domestic water heaters.
  - Domestic water heater water and gas connections shall be to existing water and gas lines.
  - Connect new domestic water heater controls to existing water heater sequencing system so new heaters function with existing domestic water system heater sequences.
  - New domestic water heaters should be made by Lochinvar to match the recently installed boilers.
4. A&J's basic scope of work includes:
  - The development and completion of the construction drawings.
  - The preparation of the project manual, including the solicitation for bids, the notice of public hearing and construction specification sections.
  - Bidding and negotiation period discussions with mechanical and electrical contractors including preparation of any required /applicable addenda to bidding documents
  - Review of contractor's bids and providing a recommendation for contract award.
  - Shop drawing review and construction administration work as specified below.
  - The following construction administration items:
    - 1.) Attendance at periodic construction coordination meetings on site during construction
    - 2.) Review and processing of contractor's pay applications associated with this work
    - 3.) Processing change orders
    - 4.) Performing on-site review and preparing observation reports
    - 5.) Preparing a punch list of at substantial completion. A&J will follow up to confirm the contractors have picked up punch list items.
    - 6.) Initial decision maker regarding disputes between owner and contractors.
  - Printing, copying and distribution of construction documents, including addenda and supplemental drawings during construction. This will be done as a reimbursable expense.

**WORK EXCLUDED**

The following items are not part of A&J's basic scope of work or design responsibility:

- Architectural and structural design, except for patching and repair incidental to the domestic water heater and accessory replacement.
- Scheduling utility shutdowns
- Acting as construction coordinator
- Participating in any energy conservation rebate analysis program provided by the serving Utility companies. The energy rebate analysis design fees are reimbursed by the utility company and are considered to be additional services
- Fire Protection System Design

## **ASSUMPTIONS FOR DETERMINING FEE**

A&J proposes to do the basic services scope of work as described above based on the following assumptions and clarifications:

- The MMHA will provide A&J with available architectural floor plans and mechanical and electrical drawings of the existing domestic water heating system. The drawings will be in electronic format if available. If electronic format drawings are not available, the City of Muscatine shall provide paper copies.
- A&J will perform all printing, copying and distribution of all drawings and specifications. These items will be considered reimbursable expenses.
- A&J will attend and administer one pre-bid conference if a pre-bid conference is needed.
- A&J will attend the bid opening if requested to do so.
- A&J will attend and administer one pre-construction conference
- A&J personnel will attend periodic construction coordination meetings and will make on-site observation visits two (2) times during the construction period. A&J assumes construction phase will be 1 month in duration, after water heaters are delivered to the project.
- A&J personnel will perform an inspection and prepare a punch list of mechanical and electrical items at substantial completion. A&J will follow up to confirm the contractors have corrected up punch list items.
- A&J will review and process periodic contractor' pay applications
- A&J will review and process contract change orders
- Personnel from A&J and MMHA will meet periodically with the user group or other owner/user representatives during the design phase to formally discuss the project status and exchange information on a formal basis. Informal information exchange can occur on a daily basis through mail, telephone, fax or email means.
- Project will be a published and advertised bid.
- The project construction budget is between \$40,000 and \$60,000. This defines the general scope of the project.
- Davis-Bacon provisions will apply to this project.
- HUD provisions will apply to this project.

## **DELIVERABLES**

A&J will provide the City of Muscatine with the following deliverables during the project duration.

- Construction drawings in the Auto-Cad format plotted on vellum for printing and/or in electronic format via "E-Mail".
- One paper copy of construction specifications
- Intermediate issue of the construction drawings as needed for review by the MMHA or the contractors involved in the project. These will be submitted in the Auto-Cad format printed on bond paper or via "E-Mail".
- "As-Built" drawings in electronic format for the work completed
- Review of Substantial Completion certificates prepared by the Contractor.
- Review and signed periodic contractor pay applications

## **SCHEDULE**

The schedule for the project is assumed to be as follows:

- Start work To be determined
- Finish CD's To be determined
- Construction complete Prior to November 30, 2015
- Contract closeout Prior to December 31, 2015

## **FEES AND EXPENSES**

The fee for consulting engineering service proposed above will be a stipulated sum \$5,600.00. Fee is based on work required for replacing the existing domestic water heating components with an estimated value of between \$40,000 and \$60,000.

Any additional services work outside the scope of work described as basic services will be based and billed on the following hourly charge rates of the personnel performing the work.

Senior Engineer time	\$100.00/Hr.	Clerical time	\$50.00/Hr.
Engineer time	\$ 85.00/Hr.	Drafting Production	\$65.00/Hr.
Designer/Technician time	\$ 70.00/Hr.	Specification Production	\$70.00/Hr.

Any additional services work outside the scope of work described above will be performed only with prior direction to proceed from the City of Muscatine.

Travel expenses for additional services to destinations outside of the Iowa City area when directed by MMHA will be billed at the rate of \$0.58/mile for automobile travel.

Travel expenses for basic services are included in the basic services fee.

Any other reimbursable expenses will be billed and compensated at A&J's direct costs.

The following are reimbursable expenses:

- Printing or reproduction of construction documents or shop drawings for review or use by MMHA, contractors or bidders.
- Long distance telephone calls, postage, freight or handling of documents.

### **PROJECT CONTACTS**

1. A&J Victor A. Amoroso, PE
3. MMHA Jodi Royal-Goodwin, Housing Administrator

### **TERMS AND CONDITIONS**

#### **Payments:**

Terms of payment to A&J shall be net 30 days after initial billing invoice date. A&J will bill each month of the duration of the project.

#### **Standard of Care:**

Services provided by A&J under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.

#### **Drawings, Specifications, Other Documents – WORK PRODUCT**

Drawings, Specifications and other documents including those in electronic form, prepared by A&J are WORK PRODUCT for use solely with respect to this Project. Unless otherwise provided, A&J shall be deemed the author and owner of A&J's Work Product and shall retain all common law, statutory and other reserved rights, including copyrights.

Upon execution of this Agreement, A&J grants to MMHA a nonexclusive license to reproduce A&J Work Product for purposes of designing, bidding, construction administering, using and maintaining the Project, provided that MMHA shall comply with all obligations, including prompt payment of all sums when due, Any termination of this Agreement prior to completion of the Project shall terminate this license. Upon such termination, MMHA shall refrain from making further reproductions of A&J's Work Product and shall return to A&J within seven days of termination all originals and reproductions in MMHA's possession or control. If and upon that date A&J is adjudged in default of this Agreement, the foregoing license shall be deemed terminated and replaced by a second, nonexclusive license that permits MMHA to continue to use and to reproduce A&J's Work Product and to authorize other similarly credentialed design professionals to reproduce and where permitted by law, to make changes, corrections or additions to A&J's Work Product, solely for the purposes of completing, using and maintaining the Project. Any such changes to A&J's Work Product shall be at MMHA's sole risk and without liability to A&J.

Except for the licenses granted above, no other license or right shall be deemed granted or implied under this Agreement. MMHA shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of A&J. Submission or distribution of A&J's Work Product to meet official regulatory requirements or for similar purposes in connection with the Project is not construed as publication in derogation of the reserved rights of A&J. MMHA shall not use A&J's Work Product for future additions or alterations to this Project or for other projects, unless MMHA obtains the prior written agreement of A&J. Any unauthorized use of A&J's Work Product shall be at MMHA's sole risk and without liability to A&J.

MMHA and A&J shall not make changes in each other's Work Product without written permission of the other party.

A&J shall maintain on file and make available to MMHA design calculations for this part of the Project, and shall furnish copies thereof to MMHA on request.

**Insurance:**

A&J will provide, upon request, the MMHA with a certificate of insurance which outlines the insurance coverage in force for A&J.

**Fee for Service**

This agreement is based on "fee for service". MMHA shall pay for services rendered by A&J Associates in accordance with other conditions specified in this agreement. If MMHA refuses to pay or stop paying for services performed by A&J, A&J may stop design work under this agreement without incurring any breach of contract liability for stopping this work. A&J will resume work upon resumption of payment of fees for services provided.

**Termination or Suspension**

If the MMHA suspends the Project, A&J shall be compensated for services performed prior to notice of such suspension. When the project is resumed, A&J shall be compensated for expenses incurred in the interruption and resumption of A&J's services. A&J's fees for the remaining services and the time schedules shall be equitably adjusted.

If the MMHA suspends the Project for more than 90 cumulative days for reasons other than the fault of A&J, A&J may terminate this Agreement by giving not less than fourteen (14) days' written notice.

Either party may terminate this Agreement upon not less than fourteen (14) days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

MMHA may terminate this Agreement upon not less than seven (7) days' written notice to A&J for the MMHA's convenience and without cause.

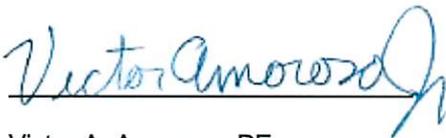
In the event of termination not the fault of A&J, A&J shall be compensated for services performed prior to termination, together with reimbursable expenses then due and all termination expenses as defined below.

Termination expenses are in addition to compensation for A&J's services and include expenses directly attributable to termination for which A&J is not otherwise compensated.

**Design Proposal Changes**

This design proposal may be changed only by written amendment to the proposal. A&J will not proceed with the work described under such amendments unless authorized to do so by MMHA. Such authorization will be in the form of written acceptance of the addendum. In the case of "time is of the essence" changes during the construction period authorization may be by other means to be followed by MMHA approval.

Accepted By:  
**A&J Associates PC**



Victor A. Amoroso, PE  
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North Liberty, Iowa 52317  
319-626-4719  
[vic@ajengineers.net](mailto:vic@ajengineers.net)

Accepted By:  
**MMHA**

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215 Sycamore St.  
Muscatine, IA 52761-3940

Date: \_\_\_\_\_