

October 26, 2022

Municipality of Skagway

700 Spring St. Skagway, Ak 99840

Attn: Mr. Tyson Ames

Re: Amendment to Professional Services Agreement 4934-10340656 Construction Management Services for Skagway School Remodel

HDR CCC Project Number: 10340656

Mr. Tyson Ames,

The proposed amendment to this contract shall provide an extension of HDR's construction management services for the Skagway School Re-model project. The intent of this amendment is to capture the costs required to complete the remaining scope of work as defined in the 'Scope of Services' of the Contract. This contract is executed on a time and expense basis designed to bill only for actual costs incurred.

There are four fundamental reasons as to why an extension is required: 1) HDR conformed to the construction contractor's schedule for on-site inspections, 2) complications arose in the field during demolition, 3) assistance with non-school related projects, 4) and the implementation of nine change orders required additional time and effort for HDR to work through.

HDR's original proposal (Exhibit B of the Contract) assumed that HDR would staff one on-site inspector dedicated to the project for 14 weeks at 60 hours per week. During construction, however HDR adapted to the Contractor's work schedule which was often more than 10 hours per day and on multiple occasions worked seven days per week. Inspection duration was based on a project completion date of October 31, 2022. The project will not be completed by October 31st and has been extended.

During the demolition phase, existing building damage was discovered on the chimney/sectional wall pocket. Water intrusion had caused rot in the existing structural elements, requiring an investigation to identify the extent of the damage resulting in the development and implementation of a repair plan before the project could continue. This was out of scope work that used unplanned hours.

Island Contractors worked between the Shoreline Park Restroom project and School re-model project during the 2022 construction season. HDR provided oversight on the Shoreline Park project as directed by the MOS. These hours were accounted for under this contract.

Changes to the construction contract in Change Order's #1-9 of Island's construction contract took additional hours of field support to derive a field solution that would work and execute the change.

HDR has done its best to manage labor hours and the construction administration budget, however the project is incomplete, and an extension will be required for completion. HDR is committed to a full project delivery.



It is anticipated that only 11 of 14 weeks included on the amendment will be used to complete the remaining work (installation of appliance, electrical, commissioning, and final closeout), however it is recommended that the additional hours remain as a contingency in the unlikely event that further delays occur.

In closing, I would like to reiterate that this is a T&E contract and HDR will be billing only for the actual amount of work required to complete and close out the contract.

Thank you for the opportunity to serve the Municipality of Skagway.

Brian A. Hessert PM, SI.

(907) 250-0407

COST ESTIMATE PER TASK

FIRM: HDR CCC				PROJECT TITLE: Skagway School Remodel									
TASK NO: 1 TASK DE			SCRIPTION:		School Building Inspection							E:	10/6/2022
GROUP:		METHOD OF	METHOD OF PAYMENT:		FP FPPE		CPFF_	PREPARED BY: Lee		Lee			
SUB-						LABOR HOUR	S PER JOB CLA	ASSIFICATION			•	-	
TASK NO.	SUB-TASK DESC	RIPTION	Contract Manager (Hughes)	Project Manager (Lee	Building) Inspector (Hessert)	Grade Inspector OT (Hessert)					-	ject Coord (Wray)	Project Controller (Syren)
Α	Project Start-up												
	1 Tojout Otart-up			†				1					
В	On-Site Inspection		4	36	440	250						6	6
	Oleanant		0		40			<u> </u>					
С	Close-out		2	8	40							6	6
				+									
				†				1					
								+					
						`							
TOTALLA	DOD HOUDS	804	6	44	480	250	0	0	0	0		12	12
	BOR HOURS RATES (\$/HR)	004	\$ 188.54				0	0	0	0	\$	67.68	
, , , , , , , , , , , , , , , , , , ,		\$ 1,131.24				\$ -	\$ -	\$ -	\$	- \$	812.16		
	. ,		EXPENSES	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	, , , , ,	, , , , , , , , , , , , , , , , , , , ,	, ·	COMMENTS:	1 '				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
SUB- TASK NO.	ITEM(S)				QUANTITY	UNIT PRICE	TOTAL PRICE						
TASK NO.	Lodging				77	\$160.00	\$12,320.00	Extend on site inspection at 65 hrs/wk until from October 6th through					
	LT per diem				77	\$33.00	+	December 200					
	Vehicle Rental/month				3	\$2,000.00		- Assume & mp					
	Misc Supplies				1	\$500.00							
	Demob				1	\$2,000.00	\$2,000.00)					
	Flights				5	\$500.00		Extention due	to increased o	construction	n duration	•	
							\$0.00						
							\$0.00						
												\$ 114,223.02	
		7.0	TAL EVENOS	. 605.004	IF CPFF, TOTAL INDIRECT COST @ \$			<u> </u>					
SUB-CONTRACTORS: Firm Initials and Price Per Tas					1			FIRM'S TOTAL EXPENSES FIRM'S TOTAL COST (no Subcontracts or Fee)					\$ 25,861.00
FIRM:		ONTRACTORS:	Firm minais a	ina Frice Per 18	191			PIRIVIS TOTAL	_ COST (NO SU	DCOMFACTS	or ree)		\$ 140,084.02
AMOUNT:								TOTAL SUBC	ONTRACTOR F	PRICES:			\$ -

^{*} Labor Rates shall be direct labor (base pay) only if Method of Payment is CPFF; otherwise, Labor Rates shall be total rates (i.e. base pay + benefits + overhead + profit.)

PRICE PER TASK SUMMARY

FIRM: HDR CCC				PROJECT TITLE	E: Skagway Scl	DATE:	1/26/2022		
				TOTAL NEGO	OTIATED FEE%:]		
GROUP	TASK	LABOR (or FP)	INDIRECT COST	EXPENSES	TOTAL COST	SUB MARKUP (0%)	FIRM'S TOTAL PRICE	*SUB- CONTRACTS	PRICE PLUS SUBS
NTP	1	\$ 114,223.02	\$ -	\$ 25,861.00	\$ 140,084.02	\$ -	\$ 140,084.02	\$ -	\$ 140,084.02
				or technical services are generally inc			I I	e general public ε	at market
ESTIMATED TOTALS		LABOR (or FP)	INDIRECT COST	EXPENSES	TOTAL COST	FEE	FIRM'S TOTAL PRICE	*SUB- CONTRACTS	PRICE PLUS SUBS
FOR FIRM:		\$ 114,223.02	\$ -	\$ 25,861.00	\$ 140,084.02	\$ -	\$ 140,084.02	\$ -	\$ 140,084.02