

**GENERAL MEETING OF THE BOARD OF DIRECTORS
OF THE
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

RESOLUTION NO. 16-035

**APPROVING SUPPLEMENT NO. 3 TO HNTB WORK AUTHORIZATION NO. 16
FOR THE MOPAC IMPROVEMENT PROJECT**

WHEREAS, by Resolution No. 13-040 dated June 26, 2014, the Board of Directors authorized the Executive Director to finalize and execute on behalf of the Mobility Authority a proposed work authorization with HNTB Corporation (“HNTB”) for the MoPac Improvement Project (the “Project”); and

WHEREAS, by Resolution No. 15-004 dated January 28, 2015, the Board of Directors authorized the Executive Director to finalize and execute Supplement No. 1, providing an extension to Work Authorization No. 16 with HNTB for the Project; and

WHEREAS, by Resolution 15-095, the Board of Directors authorized the Executive Director to finalize and execute Supplement No. 2, providing an additional extension to Work Authorization No. 16 with HNTB for the Project; and

WHEREAS, the Executive Director and HNTB have negotiated a proposed Supplement No. 3 to Work Authorization No. 16 in an amount not to exceed \$7,650,000.00 for construction oversight and claims/dispute board support services through April 2017 which is attached hereto as Exhibit A; and

WHEREAS, the Executive Director intends to authorize work to be performed under Supplement No. 3 to Work Authorization No. 16 through incremental time extensions and directives in an effort to effectively manage cost and performance; and

WHEREAS, the Executive Director recommends approval of proposed Supplement No. 3 to Work Authorization No. 16.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby adopts and approves Supplement No. 3 to Work Authorization No. 16 in substantially the form attached hereto as Exhibit A; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to finalize and execute Supplement No. 3 to Work Authorization No. 16 on behalf of the Mobility Authority; and

BE IT FURTHER RESOLVED that the Executive Director is directed to authorize work to be performed under Supplement No. 3 to Work Authorization No. 16 through a series of incremental time extensions directives to more effectively manage overall project cost and performance.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 15th day of June 2016.

Submitted and reviewed by:



Geoffrey Petrov, General Counsel

Approved:



Ray A. Wilkerson
Chairman, Board of Directors

Exhibit A

APPENDIX D

WORK AUTHORIZATION SUPPLEMENT

WORK AUTHORIZATION NO. 16

SUPPLEMENT NO. 3

This Supplement No. 3 to Work Authorization No. 16, dated April 27, 2013, is made as of this ____ day of _____, 2016, under the terms and conditions established in the AGREEMENT FOR GENERAL CONSULTING ENGINEERING SERVICES (the “Agreement”), between the Central Texas Regional Mobility Authority (“Authority”) and HNTB Corporation (“GEC”). This Supplement is made for the following purpose, consistent with the services defined in the Agreement:

MoPac Improvement Project Oversight and Disputes Board Oversight

The Project schedule requires extension in order for the D/B contractor to complete the project, necessitating amendment to the Work Authorization 16 schedule and compensation to continue the defined services. Additionally, claims brought forth by the D/B contractor require defense in front of the Disputes Board per Amendment No. 1 to DESIGN/BUILD CONTRACT, Section 4 and additional claims that the D/B Contractor has said they will bring forward since Amendment 1, necessitating an amendment to the Work Authorization 16 compensation to continue the defined services. The following terms and conditions of Work Authorization No. 16 are hereby appended as follows:

Section A. – Scope of Services

A1. – Design-Build Oversight.

The scope of services defined in Attachment A of Work Authorization 16, as amended by Supplement No. 1 and Supplement No. 2, remain in full force and effect with respect to the overseeing of design and construction of the Project.

A2. – Claims.

Additional services under this Supplement are comprised of completing work related to processes, tasks and deliverables for D/B Contractor claims review, negotiation and potential for Disputes Board Hearings for two (2) claims, as depicted below.

The services will involve the completion of the following tasks begun under Supplement No. 2:

- Review of D/B Contractor submitted claims, entitlement packages and/or requests for equitable adjustment (all referred to as claims);
- Research of contract clauses;
- Review of project related documentation;
- Coordination with Project team members and outside counsel (Locke Lord);
- Outlining, writing and finalizing original responses to D/B Contractor claims;
- Outlining, writing and finalizing Position Papers, Rebuttal Papers and Presentation;

- Coordination with Project team members and outside counsel (Locke Lord) and Expert Witnesses in preparation for Disputes Board Hearings;
- Response to Disputes Board rulings
- Development of supplement negotiation materials for the Authority that may be required due to Disputes Board rulings; and
- Publication and transmittal of necessary documents.

D/B Contractor shall be allowed to pursue multiple claims through the Disputes Board process provided for in Section 25 of the D/B Contract. For purposes of this Supplement No. 3, completion of services for the following two (2) claims are included:

- (i) Quantum hearing related to the 42" waterline
- (ii) Previously rejected maintenance of traffic proposal(s);

A3. – General Disputes Board Support.

In addition to the above, the GEC will provide support related to asserted claims and/or potential change orders that may result in claims. Support related to these asserted claims will be limited to approximately 620 hours as further depicted in the attached fee estimate. Direct expenses associated with this task are estimated to be \$10,000.

It is understood by the Authority and the GEC that there may be settlement of any claims by the D/B Contractor and the Authority prior to Disputes Board Hearings. No services are anticipated for litigation brought by either the Authority or the D/B Contractor related to a rejection of Disputes Board recommendations related to these issues. Those services and associated fees will be negotiated under an additional supplement.

A4. – Services not anticipated under this Supplement.

Additional services may be needed if the Project completion requires processes, tasks and deliverables not currently anticipated; including D/B Contractor default with no cure, D/B Contractor termination, and D/B Contractor voluntary termination. If required, those services and associated fees will be negotiated under an additional supplement.

Section B. - Schedule

GEC shall perform the Services based on an as needed basis. These services are anticipated to be completed by April 30, 2017, and the task order will expire no later than December 31, 2017; an additional supplement could be required to continue services beyond the anticipated completion date.

Section C. – Compensation

C1. – General

In return for the performance of the foregoing obligations, the Authority authorizes to the GEC an additional \$7,650,000 based on a Cost Plus fee in Attachment B – SWA03 Fee Estimate. A total of \$508,719 in labor costs included in the additional amount of \$7,650,000 will be set aside as contingency and will be utilized only with written approval by the Authority. This will increase the not-to-exceed amount for Work Authorization No. 16 from

\$22,930,663 to \$30,580,663. All other Compensation terms shall be in accordance with the Agreement.

C2. – Expenses.

With respect to expenses for Supplement No. 3, the additional amount of \$7,650,000 includes a total of \$368,918 for expenses which will be billed on a lump sum basis monthly, as shown in Attachment B – SWA03 Fee Estimate.

C3. – Compensation Provisions.

The Authority and the GEC agree that the budget amounts contained in Attachment B-SWA03 Fee Estimate for the GEC are estimates and that these individual figures may be redistributed and/or adjusted as necessary over the duration of this Work Authorization. The GEC may alter the compensation distribution between tasks or work assignments to be consistent with the Services actually rendered within the total Work Authorization amount. The GEC shall not exceed the maximum amount payable without prior written permission by the Authority.

Section E. – Other Provisions

N/A

Except to the extent expressly modified herein, all terms and conditions of the Agreement shall continue in full force and effect.

Authority:

**CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY**

By: _____

Name: Mike Heiligenstein

Title: Executive Director

Date: _____

GEC:

HNTB Corporation

By: _____

Name: _____

Title: _____

Date: _____

Attachment B
SWA03 Fee Estimate

	HNTB	DBE SUB	NON-DBE SUB	TOTAL	Percentage of Oversight Fee
Total Labor & Overhead & Profit					
Project Management Oversight	\$747,156			\$747,156	9.77%
Claims Review and DRB Support	\$584,817	\$33,180	\$27,821	\$645,818	8.44%
Toll Facilities	\$514,217			\$514,217	6.72%
Project Controls	\$324,832	\$129,910	\$26,838	\$481,580	6.30%
Public Involvement	\$134,413	\$75,680		\$210,094	2.75%
Construction Oversight	\$3,355,367	\$1,304,488	\$22,169	\$4,682,023	61.20%
Sub-Total Burdened Labor	\$5,660,803	\$1,543,258	\$76,827	\$7,280,888	95.18%
Expenses	\$286,830	\$78,196	\$3,893	\$368,918	4.82%
Total Fee (Design/Build Oversight)	\$5,947,632	\$1,621,454	\$80,720	\$7,649,807	100.00%
			Round To	\$7,650,000	

Attachment B

SWA 03 Fee - Expense Summary

Oversight Expenses	
	Monthly amount for months 1-10 after supplement execution
Expenses - includes mileage, travel, leased vehicles*, vehicle supplies, field / safety equipment, network/technology, desk phones, wiring, computers, earth cam, miscellaneous supplies, vendors, and other expenses for field office	\$30,892

10 months \$308,918

*Vehicle expenses are anticipated through April 2017. Any work requiring the extension of vehicle leases beyond April 2017 will require additional fee.

DB Expenses	
	Monthly amount for months 1-2 after supplement execution
Expenses - includes mileage, travel, printing, exhibits, delivery/courier charges, and miscellaneous supplies	\$30,000

2 months \$60,000

Grand total expenses: \$368,918