

**A RESOLUTION
BY FINANCE/EXECUTIVE COMMITTEE**

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE CHANGE ORDER NO. 2 WITH M.C. DEAN, INC., FOR CONTRACT NO. FC-7687-04, SECURITY ACCESS CONTROL SYSTEM, ON BEHALF OF THE DEPARTMENT OF AVIATION, IN AN AMOUNT NOT TO EXCEED \$1,657,500; ALL CONTRACTED WORK WILL BE CHARGED TO AND PAID FROM FUND, ACCOUNT AND CENTER NUMBERS 2H26 (AIRPORT PASSENGER FACILITY CHARGE FUND) 574001 (FAC. OTHER THAN BLDGS) R21E012096AA (SECURITY IMPROVEMENTS); AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta ("City"), as owner and operator of the Hartsfield-Jackson Atlanta International Airport ("Airport"), has undertaken a Capital Improvement Program of the Airport; and

WHEREAS, the City entered into Contract No. FC-7687-04, Security Access Control System, with M.C. Dean, Inc., pursuant to Resolution 05-R-0218; and

WHEREAS, M.C. Dean, Inc. has substantially completed the Contract work; and

WHEREAS, M.C. Dean, Inc. claimed it was delayed in the performance of its work by the City for various reasons, including inadequate work hours available per night as compared to what was indicated in the Request for Proposals, and impacts due to other projects, and has, accordingly, made a claim against the City for an equitable adjustment of the compensation to be paid under the Contract; and

WHEREAS, the Department of Aviation and M.C. Dean, Inc. have negotiated a settlement of \$1,657,500 as full and final compensation for all impact costs associated with the claimed delays, to include extended general conditions and lost productivity; and

WHEREAS, the Aviation General Manager and the Chief Procurement Officer recommend the execution of Change Order No. 2 with M.C. Dean, Inc. for Contract FC-7687-04, Security Access Control System, in order to reflect the settlement in the amount of \$1,657,500.

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY RESOLVES, that the Mayor is authorized to execute Change Order No. 2 with M.C. Dean, Inc. for Contract No. FC-7687-04, Security Access Control System, in an amount not to exceed \$1,657,500, for the purposes set forth in this Resolution;

BE IT FURTHER RESOLVED, that all contracted work will be charged to and paid from Fund, Account and Center Numbers 2H26 (Airport Passenger Facility Charge) 574001 (Fac. Other Than Buildings) R21E012096AA (Security Improvements).

BE IT FURTHER RESOLVED, that in addition to the monetary compensation payable in satisfaction of the Contractor's claim for equitable adjustment, the Contract term will be extended to 838 calendar days from the date of the Notice to Proceed.

BE IT FURTHER RESOLVED, that the City Attorney is directed to prepare an appropriate Change Order No. 2 for execution by the Mayor.

BE IT FINALLY RESOLVED, that Change Order No. 2 will not become binding on the City and the City will incur no obligation or liability under it until it has been executed by the Mayor, attested to by the Municipal Clerk, approved as to form by the City Attorney and delivered to M. C. Dean, Inc.

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview:

Caption:

Council Meeting Date:

Requesting Dept.:

B. To be completed by the department :

1. Please provide a summary of the purpose of this legislation (Justification Statement).

Example: The purpose of this legislation is to anticipate funds from a local assistance grant to purchase child safety seats.

The purpose of this legislation is to authorize the Mayor to execute a Change Order # 2 with M.C. Dean, Inc. for FC-7687-04 Security Access Control System

2. Please provide background information regarding this legislation.

Example: The task force of homelessness conducted a study regarding homelessness, its impact and consequences on the City. This resolution reflects the Mayor's desire to open a twenty-four hour center that will respond to the needs of the homelessness in Atlanta.

The Contractor was delayed due to several factors during the course of the project. These factors included a discrepancy in the RFP as to the number of hours available to work each night, and impacts due to separate projects such as the installation of the new Hold Bag System. The Contractor requested compensation for lost productivity and extended general conditions. These requests were reviewed and analyzed by an outside claims consultant. Based on the consultant's analyses and subsequent negotiations between the Contractor, the Construction Manager, and DOA, the Contractor's approximately \$3.5 million total request was settled for \$1,657,500 million. This Change Order provides additional funding to the contract to allow payment of this settlement.

3. If Applicable/Known:

(a) Contract Type (e.g. Professional Services, Construction Agreement, etc): Construction

- (b) **Source Selection:** Sealed bids
- (c) **Bids/Proposals Due:** N/A
- (d) **Invitations Issued:** N/A
- (e) **Number of Bids:** N/A
- (f) **Proposals Received:** N/A
- (g) **Bidders/Proponents:** N/A
- (h) **Term of Contract:** 570 calendar days

4. **Fund Account Center:** \$1,657,500 from FAC 2H26 (Airport Passenger Facility Charge Fund) 574001 (Facilities Other than Bldgs) R21E012096AA (Security Improvements)

5. **Source of Funds:** *Example: Local Assistance Grant* Passenger Facility Charges

6. **Fiscal Impact:** \$1,657,500

Example: This legislation will result in a reduction in the amount of _____ to Fund Account Center Number _____.

7. **Method of Cost Recovery:** PFC's

Examples:

- a. *Revenues generated from the permits required under this legislation will be used to fund the personnel needed to carry out the permitting process.*
- b. *Money obtained from a local assistance grant will be used to cover the costs of this Summer Food Program.*

This Legislative Request Form Was Prepared By: Andy Orr

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: GREG PRIDGEON

Dept.'s Legislative Liaison: Anita Williams

Contact Number: 404-530-6600

Originating Department: Aviation

Committee(s) of Purview: Finance/Executive

Chief of Staff Deadline: 11/26/07

Anticipated Committee Meeting Date(s): 12/12/07

Anticipated Full Council Date: 01/07/07

Commissioner Signature: Mario Diaz

Chief Procurement Officer Signature: Bydell Robinson

CAPTION

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE CHANGE ORDER NO. 2 WITH M.C. DEAN, INC., FOR CONTRACT NO. FC-7687-04, SECURITY ACCESS CONTROL SYSTEM, ON BEHALF OF THE DEPARTMENT OF AVIATION, IN AN AMOUNT NOT TO EXCEED \$1,657,500; ALL CONTRACTED WORK WILL BE CHARGED TO AND PAID FROM FUND, ACCOUNT AND CENTER NUMBERS 2H26 (AIRPORT PASSENGER FACILITY CHARGE FUND) 574001 (FAC. OTHER THAN BLDGS) R21E012096AA (SECURITY IMPROVEMENTS); AND FOR OTHER PURPOSES.

FINANCIAL IMPACT (if any) \$1,657,500

Mayor's Staff Only

Received by CPO: _____ Received by LC from CPO: _____
(date) (date)

Received by Mayor's Office: 11/30/07 (Signature) Reviewed by: _____
(date) (date)

Submitted to Council: _____
(date)