A RESOLUTION BY

FINANCE/EXECUTIVE COMMITTEE

04- R -0374

A RESOLUTION AUTHORIZING THE MAYOR OR HER DESIGNEE TO EXECUTE CHANGE ORDER NO. 1 FOR CONTRACT NO. FC-7505-02; DEMOLITION SERVICES FOR RUNWAY 10/28–LAND ACQUISITION PHASE II GROUP B, C, AND D PARCELS, WITH NILE, INC., ON BEHALF OF THE CITY OF ATLANTA AND ITS DEPARTMENT OF AVIATION, IN AN AMOUNT NOT TO EXCEED TWO HUNDRED FIFTY ONE THOUSAND DOLLARS ($251,000.00), TO BE CHARGED TO AND PAID FROM FUND, ACCOUNT, AND CENTER NUMBER 2H28 574001 R21E050693CH.

WHEREAS, the City of Atlanta (the "City") and Nile, Inc. ("Nile") entered into Contract No. FC-7505-02; Demolition Services for Runway 10/28–Land Acquisition Phase II Group B, C, and D Parcels ("Contract"), at Hartsfield-Jackson Atlanta International Airport, dated April 16, 2003; and

WHEREAS, during the prosecution of the work, Nile filed with the City several Requests for Equitable Adjustment of the Contract value alleging, that it was due additional compensation for extended overhead for operators, management, and equipment; attorney's fees; debris removal; lost salvage rights; unbudgeted overtime to meet acceleration requirements, and lost productivity; and

WHEREAS, Nile's most recent amendment to its Request for Equitable Adjustment sought $611,098 in additional compensation concerning its various claim components; and

WHEREAS, The City did offer to and participated in a non-binding mediation session with Nile on February 13, 2004; and

WHEREAS, at the mediation the City and Nile were able to reach tentative agreement on the terms and conditions, including compensation, of a final settlement of the alleged claims associated with Nile's Request for Equitable Adjustment; and

WHEREAS, the Aviation General Manager, the Chief Procurement Officer and the City Attorney believe it is desirable and in the best interests of the City to document this Global Settlement with Nile in the form of a Change Order No. 1 to the Contract in the not to exceed amount of $251,000.00.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, that the Mayor or her designee is authorized to execute Change Order No. 1 to the Contract with Nile, on behalf of the City and its Department of Aviation, for a total not to exceed amount of $251,000.00.

BE IT FURTHER RESOLVED, that Change Order No. 1 may also contain an adjustment to the Contract value to reflect the deletion of $37,690 in work scope under the Contract for parcel nos. 404RE, Parcel 405RE, 474RE-477RE, 450RE, 454RE and 455RE and an extension of the Contract completion date through and including September 16, 2003.

BE IT FURTHER RESOLVED, that Change Order No. 1 will be charged to and paid for from Fund, Account, and Center Number: 2H28 574001 R21E050693CH.

BE IT FINALLY RESOLVED, that Change Order No. 1 will not become binding on the City and the City will incur no liability under it until it has been executed by Nile and the Mayor.

TRANSMITTAL FORM FOR LEGISLATION

To Mayor's Office: Greg Pridgeon

General Manager's Signature: ______

From: Originating Dept. Aviation

Contact: Anita Williams 404-530-6600

Committee of Purview: Fin./Exec.

Committee Deadline: 02/27/04

Committee Meetings: 03/10/04

City Council Meeting: 03/15/04

CAPTION:

A RESOLUTION AUTHORIZING THE MAYOR OR HER DESIGNEE TO EXECUTE CHANGE ORDER NO. 1 FOR CONTRACT NO. FC-7505-02; DEMOLITION SERVICES FOR RUNWAY 10/28-LAND ACQUISITION PHASE II GROUP B, C, AND D PARCELS, WITH NILE, INC., ON BEHALF OF THE CITY OF ATLANTA AND ITS DEPARTMENT OF AVIATION, IN AN AMOUNT NOT TO EXCEED TWO HUNDRED FIFTY ONE THOUSAND DOLLARS ($251,000.00), TO BE CHARGED TO AND PAID FROM FUND, ACCOUNT, AND CENTER NUMBER 2H28 574001 R21E050693CH.

BACKGROUND/DISCUSSION:

During the prosecution of the contracted work, Nile filed with the City several Requests for Equitable Adjustment of the Contract value alleging, that it was due additional compensation for extended overhead for operators, management, and equipment; attorney's fees; debris removal; lost salvage rights; unbudgeted overtime to meet acceleration requirements, and lost productivity. This paper authorizes a global settlement agreement between the City of Atlanta and Nile, Inc.

FINANCIAL IMPACT: $251,000.00 **SOURCE:** Airport Bond Funds

Mayor's Staff Only:

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Received by Mayor's Office: 2/24/04 (date) Reviewed: ______ (initials) (date)

Submitted to Council: 2/27/04 (date)

Action by Committee: ______ Approved ______ Adversed ______ Held

______ Amended ______ Substitute ______ Referred ______ Other
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