

There came on for consideration at a duly constituted meeting of the Mayor and Members of the City Council of the City of Gulfport, Mississippi, held on the 21st day of January, 2014, the following Resolution:

A RESOLUTION BY THE GULFPORT CITY COUNCIL TO APPROVE LETTER AGREEMENT #1 AND LETTER AGREEMENT #2 RELATED TO THE CITY'S CONTRACT WITH BROWN, MITCHELL & ALEXANDER, INC., FOR THE THREE RIVERS ROAD WIDENING PROJECT – PHASE II, AND TO AUTHORIZE THE MAYOR TO EXECUTE THE SAME ON BEHALF OF THE CITY OF GULFPORT

WHEREAS, the City of Gulfport, pursuant to authority previously granted by the City Council, entered into a Contract with Brown, Mitchell & Alexander, Inc., on or about September 6, 2013, concerning the Three Rivers Road Widening Project – Phase II; and

WHEREAS, Brown, Mitchell & Alexander, Inc., has requested a “minor change” to the Contract, pursuant to Article VIII thereof, to assign different personnel to the project and has embodied said request in Letter Agreement #1 (see collective Exhibit “A”); and

WHEREAS, Brown, Mitchell & Alexander, Inc., has requested a second “minor change” to the Contract, pursuant to Article VIII thereof, to add an electrical sub-consultant, Canon Engineering, Inc., to the Contract and has embodied said request in Letter Agreement #2 (see collective Exhibit “A”); and

WHEREAS, the two “minor changes” requested by Brown, Mitchell & Alexander, Inc., will not alter or modify the goals or objectives of the project, the scope of work, the maximum compensation allowed, or the time allotted for the Contract and are in the best interest of the City of Gulfport.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GULFPORT, MISSISSIPPI, AS FOLLOWS, TO WIT:

Section 1. That the matters, facts and things recited in the Preamble hereto are hereby adopted as the official findings of the Governing Authority.

Section 2. That Letter Agreement #1 and Letter Agreement #2 pertaining to the City's Contract with Brown, Mitchell, & Alexander, Inc., for the Three Rivers Road Project, Phase II,

be and the same are hereby approved, and the Mayor be and he is hereby authorized to execute the same on behalf of the City of Gulfport.

Section 3. That this Resolution be, and it is hereby ordered to be spread on the minutes of the governing Authority, and to be in full force and effect immediately upon its passage and enactment according to law.

The above and foregoing Resolution, after having been first reduced to writing and ready by the Clerk, was introduced by Councilmember Walker, seconded by Councilmember Holmes-Hines, and was adopted by the following roll call vote:

YEAS:

Dombrowski
Holmes-Hines
Walker
Sharp
Flowers
Pucheu

NAYS:

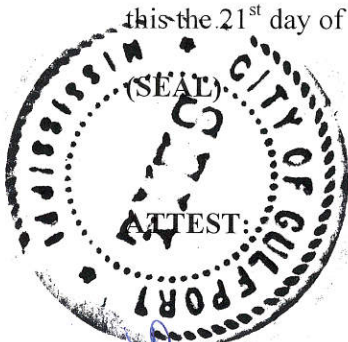
None

ABSENT:

Casey

WHEREUPON, the President declared the motion carried and the Resolution adopted,

this the 21st day of January, 2014.



Ronda S. Cole
CLERK OF THE COUNCIL

ADOPTED:

Pcty Duback
PRESIDENT OF THE COUNCIL

The above and foregoing Resolution having been submitted to and approved by the Mayor, this the 22nd day of January, 2014.

APPROVED:

[Signature]
MAYOR

12/23/2013

ORIGINAL

Honorable Mayor Billy Hewes
City of Gulfport
Post Office Box 1780
Gulfport, MS 39502

Subject: Letter Agreement Request # 1
Widening of Three Rivers Road & Creosote Road – Phase II
Project No. STP 0200-00(018) LPA/ 105169-701000
Harrison County, MS

Dear Honorable Billy Hewes:

Brown, Mitchell & Alexander, Inc. (the CONSULTANT) entered into a Contract with the **City of Gulfport** (the LPA) on **6th day of September, 2013** to provide the services of construction engineering consultants to the Widening of Three Rivers Road & Creosote Road – Phase II Project. A “minor change” has been requested in accordance with “Article XIII Modification” of this CONTRACT. The minor change is, hereby, identified below:

The CONSULTANT is requesting the following personnel substitution to the CONTRACT to match the Fee Proposal to the PROJECT including the replacement of Mr. Bill Powell, P.E. with Mr. Benjamin Smith, P.E. as the Senior Project Engineer and the replacement of Ms. Chandra Nicholson, P.E. with Mr. Jason Chiniche, P.E. as the Project Engineer in order to fulfill their obligations to oversee the PROJECT effectively. The LPA hereby agrees to allow these personnel additions to the PROJECT team (See Table 1A) to accomplish this work at NO additional cost to the PROJECT.

Table 1A: Rate Schedule for Substituted Personnel:

Classification	Name	2013 Rate	2014 Rate	2015 Rate
Senior Project Engineer	Benjamin Smith	\$115.99	\$118.31	\$120.68
Project Engineer	Jason Chiniche	\$100.36	\$102.37	\$104.41

*** See the cost delineation breakdown for reference attached to this agreement ***

This request will not alter or modify the goals or objectives of the project, the scope of work, the maximum compensation allowed, or the time allotted for this CONTRACT.

This Letter Agreement in no way modifies or changes this CONTRACT of which it becomes a part except as specifically stated herein. This Letter Agreement No. 1 is effective as of October 22, 2013.

Honorable Mayor Billy Hewes
City of Gulfport
Letter Agreement Request #1
Widening of Three Rivers Road & Creosote Road – Phase II
Project No. STP 0200-00(018) LPA/ 105169-701000
Harrison County, MS
Page Two of Two

Therefore, this Letter of Agreement is so accepted and agreed this 22nd day of January, 2014.

City of Gulfport



Honorable Billy Hewes, Mayor

1/22/14

DATE

Brown, Mitchell & Alexander, Inc.



Dax Alexander, P.E., President

12/30/13

DATE

COST BREAKDOWN SCHEDULES

BILLING RATE TABLE – 2013

Brown, Mitchell & Alexander, Inc.

Construction, Engineering, & Inspection

Field OH

187.20 %

Office OH

187.20 %

Classification	Raw Wage Rate		Audited OH Rate		Profit 12%		Regular Billing Rate
Senior Project Engineer	\$36.06		\$67.50		\$12.43		\$115.99
Project Engineer	\$31.20		\$58.41		\$10.75		\$100.36

BILLING RATE TABLE – 2014

Brown, Mitchell & Alexander, Inc.

Construction, Engineering, & Inspection

Field OH

187.20 %

Office OH

187.20 %

Classification	Raw Wage Rate		Audited OH Rate		Profit 12%		Regular Billing Rate
Senior Project Engineer	\$36.78		\$68.85		\$12.68		\$118.31
Project Engineer	\$31.82		\$59.57		\$10.97		\$102.37

BILLING RATE TABLE – 2015

Brown, Mitchell & Alexander, Inc.

Construction, Engineering, & Inspection

Field OH	187.20 %
Office OH	187.20 %

Classification	Raw Wage Rate		Audited OH Rate		Profit 12%		Regular Billing Rate
Senior Project Engineer	\$37.52		\$70.23		\$12.93		\$120.68
Project Engineer	\$32.46		\$60.77		\$11.19		\$104.41

Mark C. McConnell
Deputy Executive Director/
Chief Engineer

Charles R. Carr
Director
Office of Intermodal Planning



Lisa M. Hancock
Deputy Executive Director/
Administration

Willie Huff
Director
Office of Enforcement


Melinda L. McGrath
Executive Director

P. O. Box 1850 / Jackson, Mississippi 39215-1850 / Telephone (601) 359-7001 / FAX (601) 359-7110 / www.GoMDOT.com

October 16, 2013

MEMORANDUM

TO: Scot Ehrgott
Director, Consultant Services Unit

FROM: Diane Gavin 
Audit Director

SUBJECT: Brown, Mitchell & Alexander, Inc.
Accepted Overhead Rate for the Year Ended December 31, 2012

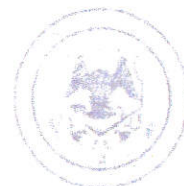
The Internal Audit Division (IAD) of the Mississippi Department of Transportation (MDOT) has received the overhead audit report of Brown, Mitchell & Alexander, Inc. for the year ended December 31, 2012. IAD has performed a risk assessment to determine the acceptability of the overhead rate presented in the audit report.

Based on the risk assessment performed and the review of the audit report, the MDOT should accept the audited overhead rate for the year ended December 31, 2012 as presented: **187.20%**

MDOT may use the accepted overhead rate for the purposes of contract negotiations. Brown, Mitchell & Alexander, Inc. may use the accepted rate for the purpose of billing its overhead costs. If applicable to the contract, overhead costs which were invoiced for services rendered from January 1, 2012 and to current by Brown, Mitchell & Alexander, Inc. will be adjusted accordingly to reflect the accepted rate as presented above.

Brown, Mitchell & Alexander, Inc. has submitted the required *Consultant Indirect Costs Rate Certification* applicable to the year ended December 31, 2012. IAD will maintain the certification on file.

MDOT requires an annual submission of a firm's overhead rates; therefore, the accepted overhead rate for the year ended December 31, 2012 is valid until September 30, 2014.



12/23/2013

ORIGINAL

Honorable Mayor Billy Hewes
City of Gulfport
Post Office Box 1780
Gulfport, MS 39502

Subject: Letter Agreement Request # 2
Widening of Three Rivers Road & Creosote Road – Phase II
Project No. STP 0200-00(018) LPA/ 105169-701000
Harrison County, MS

Dear Honorable Billy Hewes:

Brown, Mitchell & Alexander, Inc. (the CONSULTANT) entered into a Contract with the **City of Gulfport** (the LPA) on **6th day of September, 2013** to provide the services of construction engineering consultants to the Widening of Three Rivers Road & Creosote Road – Phase II Project. A “minor change” has been requested in accordance with “Article XIII Modification” of this CONTRACT. The minor change is, hereby, identified below:

The CONSULTANT is requesting the electrical subconsultant, Canon Engineering, Inc., be added to the CONTRACT in order to fulfill their obligations to oversee the PROJECT effectively. The LPA hereby agrees to allow this subconsultant addition to the PROJECT team (See attachment) to accomplish this work at NO additional cost to the PROJECT.

This request will not alter or modify the goals or objectives of the project, the scope of work, the maximum compensation allowed, or the time allotted for this CONTRACT.

This Letter Agreement in no way modifies or changes this CONTRACT of which it becomes a part except as specifically stated herein. This Letter Agreement No. 2 is effective as of October 22, 2013.

Therefore, this Letter of Agreement is so accepted and agreed this 22nd day of January, 2014.

City of Gulfport




Honorable Billy Hewes, Mayor

1/22/14

DATE

Brown, Mitchell & Alexander, Inc.



Dax Alexander, P.E., President

12/30/13

DATE

Mark C. McConnell
Deputy Executive Director/
Chief Engineer

Charles R. Carr
Director
Office of Intermodal Planning



Lisa M. Hancock
Deputy Executive Director/
Administration

Willie Huff
Director
Office of Enforcement


Melinda L. McGrath
Executive Director

P. O. Box 1850 / Jackson, Mississippi 39215-1850 / Telephone (601) 359-7001 / FAX (601) 359-7110 / www.GoMDOT.com

November 7, 2013

MEMORANDUM

TO: Scot Ehgott
Director, Consultant Services Unit

FROM: Diane Gavin 
Audit Director

SUBJECT: Canon Engineering, LLC
Accepted Overhead Rate for the Year Ended December 31, 2012

The Internal Audit Division (IAD) of the Mississippi Department of Transportation (MDOT) has received the schedule of indirect costs and overhead rate calculation of Canon Engineering, LLC for the year ended December 31, 2012. IAD has performed a risk assessment to determine the acceptability of the overhead rate presented.

Based on the risk assessment performed, MDOT should accept the overhead rate presented as a **provisional** rate: **158.00%**

The accepted provisional rate is subject to adjustment if an audit of the overhead rate for the year ended December 31, 2012 is conducted. An **audited** overhead rate must be submitted by Canon Engineering, LLC as soon as the cumulative total of a contract exceeds \$250,000.

MDOT may use the accepted overhead rate for the purpose of contract negotiations. Canon Engineering, LLC may use the accepted rate for the purpose of billing its overhead costs. If applicable to the contract, overhead costs which were invoiced for services rendered from January 1, 2012 and to current by Canon Engineering, LLC will be adjusted accordingly to reflect the accepted rate as presented above.

Canon Engineering, LLC has submitted the required *Consultant Indirect Costs Rate Certification* applicable to the year ended December 31, 2012. IAD will maintain the certification on file.

MDOT requires an annual submission of a firm's overhead rate; therefore, the accepted overhead rate for the year ended December 31, 2012 is valid until September 30, 2014.

BILLING RATE TABLE for 2013-2014-2015

SUBCONSULTANT CANON ENGINEERING, LLC

*Construction Oversight Services
Construction Engineering and Inspection Services*

Field OH 158.000%
Office OH 158.000%

Period of time for which rates are applicable: January, 2013 thru December, 2013

<u>Classification</u>	<u>Raw Wage Rate</u>	<u>Audited OH Rate</u>	<u>Profit 10%</u>	<u>Regular Billing Rate</u>
Principal Engineer	\$ 40.00	\$ 63.20	\$ 10.32	\$ 113.52
Construction Admin	\$ 19.60	\$ 30.97	\$ 5.06	\$ 55.62

Period of time for which rates are applicable: January, 2014 thru December, 2014

<u>Classification</u>	<u>Raw Wage Rate</u>	<u>Audited OH Rate</u>	<u>Profit 10%</u>	<u>Regular Billing Rate</u>
Principal Engineer	\$ 40.80	\$ 64.46	\$ 10.53	\$ 115.79
Construction Admin	\$ 19.99	\$ 31.59	\$ 5.16	\$ 56.74

Period of time for which rates are applicable: January, 2015 thru December, 2015

<u>Classification</u>	<u>Raw Wage Rate</u>	<u>Audited OH Rate</u>	<u>Profit 10%</u>	<u>Regular Billing Rate</u>
Principal Engineer	\$ 41.62	\$ 65.75	\$ 10.74	\$ 118.11
Construction Admin	\$ 20.39	\$ 32.22	\$ 5.26	\$ 57.87