

This is **EXHIBIT K**, consisting of 4 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated October 31, 2013.

**AMENDMENT TO OWNER-ENGINEER AGREEMENT**  
**Amendment No. 3**

1. *Background Data:*

- a. Effective Date of Owner-Engineer Agreement: October 31, 2013
- b. Owner: City of Bisbee
- c. Engineer: Kara D, Festa, P.E., WestLand Resources, Inc.
- d. Project: Construction Administration Wastewater Collection System Expansion for Tintown Area Sewers in the City of Bisbee

2. *Description of Modifications:*

- a. Engineer shall perform or furnish the following Additional Services:
  - Task 1 – Project Management (Additional Services), as described in the attached Change Order No. 3 Request dated August 13, 2014, pages 1 through 2.
  - Task 10 – Third Party Inspections (ADOT requirement), as described in the attached Change Order Request No. 3 dated August 13, 2014, pages 1 through 2.
- b. For the Additional Services or the modifications to services set forth above, Owner shall pay Engineer the following additional or modified compensation:
  - The additional sum of \$31,626.00, as indicated on the attached Change Order Request No. 3 attached to be invoiced on time-and-materials not to exceed basis.

5. Agreement Summary (Reference only)

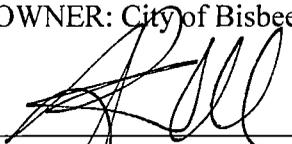
a. Original Agreement amount:	\$ <u>149,759.00</u>
b. Net change for prior amendments:	\$ <u>60,200.00</u>
c. This amendment amount:	\$ <u>31,626.00</u>
d. Adjusted Agreement amount:	\$ <u>241,585.00</u>

The foregoing Agreement Summary is for reference only and does not alter the terms of the Agreement, including those set forth in Exhibit C.

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect. The Effective Date of this Amendment is \_\_\_\_\_.

OWNER: City of Bisbee

ENGINEER: WestLand Resources, Inc.

  
\_\_\_\_\_

  
\_\_\_\_\_

By: Adriana Z. Badal

By: Kara D. Festa, P.E.

Title: Mayor

Title: Vice President

Date Signed: 10/21/14

Date Signed: 8/19/14



**WestLand Resources, Inc.**  
Engineering and Environmental Consultants

August 13, 2014

Thomas J. Klimek, P.E., R.L.S.,  
CITY OF BISBEE  
404 Bisbee Street  
Bisbee, Arizona 85603

**Re: REQUEST FOR CHANGE ORDER NO. 3  
CONSTRUCTION ADMINISTRATION SERVICES FOR THE WASTEWATER  
COLLECTION SYSTEMS EXPANSION FOR TINTOWN AREA SEWERS  
WESTLAND PROJECT NO. 1719.02**

Dear Mr. Klimek:

WestLand Resources, Inc. (WestLand) is submitting this request for Change Order No. 3. Per our conversation regarding the status of the project budget and concerns regarding the individual budgets for several tasks associated with the Tintown project, WestLand is requesting this change order. As you are aware, WestLand started as the Construction Manager for the Tintown project at the end of October 2013, and the project just began construction work last week. As such, the estimated time frame for the overall project has increased by quite a number of months from the originally anticipated time frame. The original project budget anticipated a total project timeline of approximately 10 months, including bidding, inspections, and project close-out. Numerous unknown and unique circumstances occurred during the initial phases of this project, and WestLand has been actively working with the City throughout the first nine months of the project on many tasks. There are approximately eight months remaining in the project construction phase, including anticipated close-out time frames.

Currently the remaining budget under the project management task was at approximately \$2,887 following the July dated invoice for June charges. At the anticipated utilization rate, the remaining budget will be expended within the next two invoice cycles. With actual construction starting at the beginning of August and close-out projected to last until April 2015, we would like to request an additional eight months of budget for continued project management while the project is under construction and close-out. At the historic and anticipated project management effort, the anticipated budget required to complete the project is approximately \$18,000.

In addition, the total construction timeframe assumed in the original fee proposal estimate was approximately six months, while the total construction time frame currently scheduled is based on an eight-month construction schedule. WestLand will endeavor to keep the costs for the inspection services minimized and within the originally anticipated budget, but may need to request an increase in the construction administration budget due to the nature of this project, and the extended duration of construction.

Finally, due to the change in the project design to incorporate an open cut of the Arizona Department of Transportation (ADOT) Right of Way (ROW) across Highway 92, that department has required that an ADOT-approved Third Party Inspector be provided for the inspections of the open cut and associated

Mr. Thomas J. Klimek  
August 13, 2014  
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traffic control. WestLand has obtained a proposal for this work from an ADOT-approved inspection firm with whom we have worked in the past, ConformaTECH. This inspection work is estimated to cost \$13,626 with WestLand's markup, based on the schedule for the ADOT work provided by KE&G.

I would like the opportunity to discuss this in more detail with you to incorporate your thoughts regarding our next steps.

Respectfully,  
WestLand Resources, Inc.

A handwritten signature in black ink, appearing to read "Kara D. Festa". The signature is stylized with a large, circular initial "K" and a long horizontal stroke at the end.

Kara D. Festa, P.E.  
Vice President

KDF:dm

**Bisbee Tintown Wastewater Collection System Funding Analysis**

9/24/2014

Summary of Funding	
RD Funds - Due City	\$72,053

Sources of Construction Funds	
RD Grant	\$627,947
NADB-BEIF Grant	\$1,057,031
TOTAL Construction	\$1,684,978

Per NADB, Uses of Funds	NADB Amounts	Contract Holder	Original Contract Amount	Change Orders	Total Contractual Obligation	Remaining Contingency	Total Used to Date (PE 9/24/14)	Remaining Funds (PE 9/24/14)
Construction	\$1,347,982	KE&G	\$1,345,028.50	\$39,041.25	\$1,384,069.75		\$50,485.82	\$1,333,583.93
CM Contract	\$202,198	WestLand	\$149,759.00	\$91,826.00	\$241,585.00		\$108,138.40	\$133,446.60
Contingency	\$134,798	Extra Funds Available	\$190,193.50			\$59,326.25		\$59,326.25
<b>TOTAL</b>	<b>\$1,684,978</b>		<b>\$1,684,981.00</b>	<b>\$130,867.25</b>	<b>\$1,625,654.75</b>		<b>\$158,624.22</b>	<b>\$1,526,356.78</b>