



CITY OF GEARHART

Staff Report

For City Council Meeting - 4/2/2025

Subject - New Business - Authorization for Change Order No. 1 with Kloth Group Inc

Synopsis: The City of Gearhart has extended the overall project schedule by six months to support a November 2025 ballot initiative, instead of the previously anticipated May 2025 ballot. To accommodate this revised timeline, Kloth Group, Inc. has been requested to provide additional services, including attendance at extra site visits, city council work sessions, meetings with the building official, and increased community engagement sessions. These services exceed the scope outlined in the original Professional Services Agreement dated March 27, 2024. Your approval of this change order and the corresponding fund allocation will facilitate the necessary adjustments to our project timeline and community engagement efforts.

Council Options:

1. Motion to approve Change Order No. 1 authorizing additional services by Kloth Group up to \$9,883 using Building Reserve Funds;
2. Take other action desired by the Council.

Recommendation: Staff recommended motion:

"Motion to approve Change Order No. 1 authorizing additional services by Kloth Group, Inc. at a cost of \$9,883, and allocating \$10,000 in Building Reserve Funds to cover the expense and support continued project progress in alignment with the updated schedule"

Legal Analysis: Change Order No. 1 is attached.

Financial Analysis: The proposed allocation of \$10,000 from the Building Reserve Fund will cover the \$9,883 cost associated with Change Order No. 1. Adequate funds are available in the Building Reserve Fund to support this allocation.

Respectfully Submitted,

Chad

CHANGE ORDER NO. 1

Regarding the Professional Services Agreement between The City of Gearhart ("Owner") and Kloth Group, Inc. ("Consultant") dated March 27th, 2024

Owner and Consultant hereby agree as follows:

Consultant's Scope of Services, as provided in Exhibit A of the Professional Services Agreement described above (the "Agreement"), shall be modified as follows:

- Background Information - The City of Gearhart Building Committee has increased the overall project schedule by (6) six months to support a November 2025 ballot initiative vs. the previously anticipated May 2025 ballot. Kloth Group has been instructed to include necessary hours through May of 2025 with our scope of service ending in May of 2025.
- This change order includes hours required for attendance of additional site visits and city council work sessions, meeting with building official, additional town hall and community engagement meetings above what was accounted for in the original scope.
- Increases in reimbursables are not included in this change order as the originally estimated reimbursable expenses appear to be adequate to support the remaining work.

In exchange for this modification in Scope of Services, Owner shall pay Consultant as follows:

- A total of \$9,883 for staffing and expenses through completion in May 2025.

Owner and Consultant agree the estimated Schedule, as provided in Exhibit C of the Agreement, shall be modified, if at all, as follows:

- No change to schedule duration as Kloth Group is currently under contract through May of 2025. Per discussion with the City of Gearhart, this change order includes hours until completion of our services at the end of May 2025. Additional hours past May of 2025 would be subject to a future change order.

This Change Order serves as a formal modification of the Agreement described herein to the extent the provisions of this Change Order are different than or inconsistent with the Agreement's provisions. Otherwise, all existing terms of the Agreement remain in effect.

CONSULTANT:

KLOTH GROUP, INC.

By:

(signature)

Name: Chris Mastrandrea

Title: Sr. Project Manager

Date: CHRIS MASTRANDREA

OWNER:

THE CITY OF GEARHART

By:

(signature)

Name: Chad Sweet

Title: City Administrator

Date: _____

Gearhart Emergency Safety Building
Klosh | Proposed Staffing Plan



March 18th, 2025

General Administration	2023	2024	2025	2026	Staffing Totals
Senior Project Manager	\$0	\$0	\$12,152	\$0	\$12,152
Project Coordinator	\$0	\$0	\$900	\$0	\$900
Total by Years	\$0	\$0	\$14,594	\$0	\$14,594
Expenses	2023	2024	2025	2026	Staffing Totals
Klosh Group Expenses	\$0	\$0	\$0	\$0	\$0
					FEE PROPOSAL
Staffing & Per Diem Expenses	2023	2024	2025	2026	Staffing Totals
Klosh Group Staffing & Expenses	\$0	\$0	\$14,594	\$0	\$14,594
					FEE PROPOSAL

Notes

1. Reimbursable Expenses will be billed at actual cost on a monthly basis.
2. Reimbursable Expense may include, but not be limited to, the following expenses: delivery (overnight, messenger, US postal) of project related documents, reproduction (printing, copying), and travel (travel, meals, overnight stay, transportation, mileage)
3. Project fee to be billed on a time and material basis, with fee saving returned to Owner.
4. Change Order Fee is an estimated level of effort based on pre bond scope of work completing in May 2025.

Estimated Labor to Complete:	\$14,594
Remaining Fee on Contract:	- \$4,711
Total Change Order Amount:	\$9,883