



Agenda Item Request Form

ITEM: Consideration of Approval of **Change Order #1** for the FIN Stabilizer Dredge Project to Diamond Services Corporation (Diamond) in the amount of **\$11,300.63**. In accordance with Change Order #1 (See Attached) approved and recommended by DRMP (CEI for City of Panama City). This Change Order is incorporated in the Triumph Gulf Coast Grant.

Background Information: The City of Panama City (City) entered into a Grant Award Agreement (Grant) with Triumph Gulf Coast, Inc. (Triumph) and the Eastern Shipbuilding Group, Inc. (ESG) on August 1, 2019. This Grant is to provide funding for the infrastructure improvements including platens, dredging, bulkhead installations, launch ways, equipment and warehouse facilities on an easement owned by the City.

In accordance with a previous Agenda Item Request (AIR), dated 07/06/21 the City approved a contract and scope vetted by DRMP for Diamond to provide the initial FIN Stabilizer Dredge Project in an amount of \$750,000.00. Further in accordance with City Commission action on 09/27/21 and 10/12/21 respectively Change Order #2 (\$134,000.00) and Change Order #3 (\$2,706,600.00) also vetted by DRMP were approved by the City for the FIN Stabilizer Dredge Project.

As noted above DRMP approves this Change Order #1 for Diamond's provision of payment and performance bonds to comply with contractual requirements of the City which were not specified as a requirement in the bid documentation advertised by the City.

DEPARTMENT HEAD RECOMMENDATION: Tim McGuffin – Director PMO, Award to Diamond Services Corporation

Budget Impact: None

Budgeted? Yes: No: How Much budgeted? [Click here to enter text.](#) If more, where do you suggest funds come from?

Reimbursement from the Triumph Gulf Coast Grant

Cost Center Affected: [Click here to enter text.](#)

Personnel \$ [Click here to enter text.](#)

Operating \$ [Click here to enter text.](#)

Capital \$ [Click here to enter text.](#)

Revenue \$ [Click here to enter text.](#)

Requested By: Tim McGuffin – Director PMO

Date: 1/5/2022

RAF: ~~0034~~, 1/5/22
CO#1

PRINCIPALS
Lawrence L. Smith, Jr.
Donaldson K. Barton, Jr.
Glenn J. Lusink
Jon S. Meadows
Mark D. Prochak
Mark E. Puckett

December 7, 2021

Mr. Tim McGuffin
Director, Project Management Office
City of Panama City, Florida
501 Harrison Avenue, Panama City, FL 32401

Subject: Eastern Shipbuilding Group Nelson Shipyard Dredging Project
Change Order Request – Recommendation Letter

Dear Mr. McGuffin:

The City of Panama City (City) has executed a contract (PC21-039) with Diamond Services Corporation for certain dredging operations at the Nelson Street Shipyard. DRMP, via task under a continuing professional services agreement with the City, is providing owner’s representation construction administration services for the project to include review of contract bid documents, bid award recommendation, independent assurance of contractor shop drawings and construction engineering and inspection (CEI) services. The intent of this letter is to document DRMP’s review of a requested Change Order and to make a recommendation to the City regarding the request.

DRMP has conducted a review of the Change Order documentation prepared by Diamond Services dated August 11, 2021 and the contract advertisement and contract documents for the project. The requested Change Order arises out of the City’s contractual requirements for a Performance and Payment Bond that was not specified as a requirement in the bid documentation advertised by the City. DRMP finds all the documentation is in order and the fees associated with the bonding are appropriate. Therefore, DRMP recommends the City approve of the requested Change Order in the total amount of \$11,300.63.

Sincerely,



Ben C. Faust, P.E.
Project Engineer

OFFICES
Asheboro, North Carolina
Boca Raton, Florida
Cary, North Carolina
Charlotte, North Carolina
Chipley, Florida
DeLand, Florida
Fort Myers, Florida
Gainesville, Florida
Jacksonville, Florida
Lakeland, Florida
Melbourne, Florida
Merritt Island, Florida
Orlando, Florida
Panama City Beach, Florida
Pensacola, Florida
Stockbridge, Georgia
Tallahassee, Florida
Tampa, Florida
Troutman, North Carolina



A Carline Company

11 August 2021

Eastern Shipbuilding Group, Inc.
2200 Nelson St.
Panama City, FL 32404
ATTN: Dan Lozler and Greg Boudreaux

Written Notice of Request for Change Order

Mr. Boudreaux,

In accordance with Section 10 of executed contract PC21-039, this letter serves as written notice of Diamond Services' request for a Change Order. The change in question arises out of Eastern Shipbuilding and Panama City's requirement for a Performance and Payment bond that was not required in the bidding documents on this project. The invoice to Diamond Services from our insurance agency is attached to this letter as evidence of Diamond Services' cost of obtaining this bond. We trust this change order meets your approval.

The cost associated with this Change Order are as follows

Cost- Paul's Agency.....	\$10,250.00
Overhead (5% per contract).....	\$512.50
Profit (5% per contract).....	\$538.13
Total	\$11,300.63

Regards,

Stephen Swiber
Executive Vice President
Diamond Services Corporation

Accepted by

Name:
For Eastern Shipbuilding Group, Inc.
Date: 1-5-22

Name:
For City of Panama City
Date:



PAUL'S AGENCY
INSURANCE & RISK MANAGEMENT

PO Box 1680
Morgan City, LA 70381
Phone: (985) 384-4450
Fax: (985) 385-0842

2929

Invoice # 13460	Page 1 of 1
Account Number: DIAMSER-01	Date: 7/30/2021
BALANCE DUE ON: 8/19/2021	CSR: BLAPA1
AMOUNT PAID:	Amount Due: \$10,250.00

Diamond Services Corp. (property only)
P. O. Box 1266
Morgan City, LA 70381

Bonds	PolicyNumber: 43BCSIQ0405	Effective: 7/14/2021 to 7/14/2022
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Item #	Trans Eff Date	Due Date	Trans	Description	Amount
62427	7/14/2021	8/19/2021	NEWB	New Public Constr. Bond/Eastern Shipbuilding Group, Inc./	\$10,250.00
Total Invoice Balance:					\$10,250.00

1-6621

ENTERED