

**Action Requested/Required:**

- ☐ Vote/Action Requested
☒ Discussion or Presentation Only
☐ Public Hearing
Report Date: _____
Hearing Date: _____
Voting Date: _____

Department: Community Development

Presenter(s) & Title: Bethany Watson

City Engineer

Agenda Item Title:

Discussion on Atkins Change Order Request for Water Pollution Control Plant

Summary:

See detailed memo.

Budget Implications:

Budgeted? ☐ Yes ☐ No ☐ N/A

Total Cost of Project: _____ Check if Estimated ☐

Fund Source: General Fund ☐ Water & Sewer ☐ Sales Tax ☐ Other: _____

Staff Recommendations:**Reviews:**

Has this been reviewed by Management and Legal Counsel, if required? ☐ Yes ☐ No

Attachments:

Atkins CO (Feb 26, 2025), Atkins CO Rev 1 (Oct 2025), City Engineer Response Letter, Atkins CO Denial Response Letter, Memo



Memorandum

To: Mayor and City Council
From: Bethany Watson, P.E., AICP, City Engineer
CC: Billy Peppers, City Manager
Date: November 24, 2025
Re: Atkins Réalis Change Order Request

This memorandum summarizes the correspondence and points of conflict between the City of Canton (City) and Atkins Réalis (ATRL) concerning ATRL's request for a contract extension and additional construction management and Resident Project Representative fees for the Canton WPCP Upgrade & Expansion Project.

The original authorized project completion date was **September 24, 2024**. Due to ongoing construction delays, ATRL submitted two fee proposals (February 26 and a revised October 7, 2025) to cover an extended period, culminating in a final completion date of **April 23, 2026**, for a total requested fee of **\$621,332** (October 7, 2025 Revised Proposal).

The City formally denied ATRL's request for additional funding, stating the proposed costs were not adequately demonstrated to be the result of scope changes, unforeseen conditions, or errors attributable to the Owner. The denial was based primarily on the following:

- The City has recently approved a separate Change Order for the contractor, Clark-Reeves+Young (CR+Y), related to Time Impact Analysis (TIA) 01-04, compensating them \$2.7 million.
- The TIA concluded that the issues leading to the 174-day Motor Control Center (MCC) delivery schedule delay were attributed to ATRL's original electrical design.
- Since the City accepted financial responsibility for costs associated with ATRL's design errors in the CR+Y settlement, the City cannot approve additional fees to ATRL related to the same circumstances.

ATRL responded with a detailed letter addressing the denial based on four issues raised by the City:

1. TIA Settlement with CR+Y

- ATRL disagrees that the delay was solely due to their design. While acknowledging seven post-bid changes (some scope-driven by the City's 6 MGD to 7 MGD upgrade request), ATRL argues the ultimate, major delay was attributable to supply chain disruptions caused by the COVID-19 epidemic, noting the contract includes provisions for non-compensable time extensions for epidemics.
- ATRL denies negotiating or offering settlement values to the contractor outside the City's purview, stating their discussions were conducted in good faith and that the final settlement was negotiated solely by the City and CR+Y attorneys without ATRL's involvement.

2. Veolia Membrane Performance

- ATRL denies responsibility for the poor membrane performance. They detail precautions taken during the initial seeding (lack of operational fine screens) in conjunction with Veolia and the City to maintain the schedule, and note that Veolia confirmed the performance test was "complete and successful" after 14 days of testing.
- ATRL suggests contributing factors to later membrane issues included: power outages causing temporary screen shutdowns; a passive screen on an overflow pipe being removed by operations staff; and the MBRs being operated outside of the mixed liquor suspended solids (MLSS) criteria prescribed by Veolia.

3. Project Communication

- ATRL confirms they conduct weekly and monthly progress meetings and promptly submit notes. They acknowledge the City's concern following changes in City engineering leadership and, in response, scheduled monthly "leadership" meetings to improve high-level communication, an effort acknowledged by the City.

4. ATRL Provision of Uncompensated Labor

- ATRL argues they are already operating 419 days beyond the contract's basis date (September 24, 2024). They have already provided substantial services beyond the contract parameters without requesting additional compensation, including:
 - ≥230 progress meetings vs. 80 contracted.
 - 569 RFIs processed vs. 200 contracted.

- 595 submittals processed (923 counting resubmittals) vs. 500 contracted.
- Absorbing costs for post-bid electrical design modifications.
- Employing a professional scheduler to prepare a project recovery schedule when the contractor failed to.

ATRL is requesting the City reconsider the denial of the change order, asserting that their claim is due to the overall construction delay (now extending the project to April 23, 2026), and not solely the 174-day MCC delay for which the City compensated the contractor. They remain committed to the project and requested a written determination following the City Council's review at their December 4th meeting.



Mrs Bethany Watson, PE, AIP
City Engineer
City of Canton, GA
110 Academy Street
Canton, Georgia 30114

Re: Canton WPCP Expansion to 6 MGD Project Schedule Extension
AtkinsRéalis Additional CM and RPR Services Request

Dear Mrs. Watson

26 February 2025

AtkinsRéalis

1600 RiverEdge Parkway
NW
Suite 700
Atlanta, GA 30328
United States of America

Tel: +1 770 933 0280 / +1
800 826 4284
Fax: +1 770 933 0691

william.xu@
[atkinsrealis.com](mailto:william.xu@atkinsrealis.com)

AtkinsRéalis is pleased to submit this proposal for authorization to perform additional construction engineering and resident project representation services during extended construction period to expand the plant capacity to 7 MGD treatment capacity.

AtkinsRéalis is working on construction phase services for the plant 7 MGD Expansion Project. Per original contract and change order No. 2 – WPCP expansion increase to 7 MGD, the project completion date was September 24, 2024, and our authorized service ended to this date. As the project schedule was pushed back many times because of construction delays, AtkinsRéalis has been continuing working on the same services based on mutual understanding and verbal agreement. In this request, AtkinsRéalis would like to formally ask the City of Canton to extend our service agreement.

Per the most recent project Schedule Update submittal (December 2024 submittal), the new project completion date is December 11, 2025. AtkinsRéalis is herewith proposing to provide additional construction engineering and resident project representation services to this new completion date now. This additional work will likewise be performed under the terms and conditions of our existing contract. Upon your review, AtkinsRéalis will work collaboratively with the City of Canton to address any outstanding questions or administrative activities necessary to execute the proposed scope of work.

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Scope of Work

There is no change to majority of the Engineering Services tasks such as submittal and RFI review, change order review, record drawing preparation, et al. With the schedule delay, it requires more project management and construction observation services including the full-time Resident Project Representative (RPR). The details are listed as below.

A. Project Management

AtkinsRealis USA Inc.
Registered office: 4030 West
Boy Scout Boulevard, Suite
700, Tampa FL 33607, United
States

AtkinsRéalis will provide more project management services and it is mainly caused by the 443 days construction schedule extension. Additional project management activities consist of more of the following items: communicating with the City, Clark Reeves & Young, and project technical staff, document control, construction progress meetings and site visits, schedule and cost monitoring, and construction monthly progress reports.

B. Engineering Services During Construction

NA.

C. Construction Observation

AtkinsRéalis is providing a full-time Resident Project Representative (RPR) for the duration of construction activities. The responsibilities of the RPR are listed in AtkinsRéalis original proposal for the 6 MGD treatment capacity project and are not repeated herein. Because of the schedule extension of 443 days, we are proposing the RPR services to be extended for 443 days as well.

Compensation

The enclosed fee schedule will amend that included in our current contract and subsequent change orders. As in previous proposals, this scope of work represents a not-to exceed value and reflects the effort required to perform the duties described herein. The City will only be invoiced for actual work performed. Should the work effort be less than estimated herein, the City will not be billed for the balance of time accordingly.

FEE SUMMARY

TASK NO.	TASK DESCRIPTION		LABOR ^(a)	SUB-CONSULTANT SERVICES	EXPENSES ^(b)	TOTAL FEE
A	Project Management	459	\$ 89,637	\$ -	\$ -	\$ 89,637
B	Engineering Services During Construction					
C	Construction Observation					
	Resident project representative	2,420	\$ 390,800	\$ -	\$ 15,032	\$ 405,832
	Specialty inspections	0	\$ -	\$ -	\$ -	\$ -
	TOTALS:	2,879	\$ 480,437	\$ -	\$ 15,032	\$ 495,469

NOTES:

^(a) Labor fees include annual escalation of up to 3%;

^(b) Expenses primarily include reproduction and travel. Other ODCs may be negotiated with the City of Canton as necessary.

Project Assumptions

The proposed scope and fee are based on the scope of work described herein with the following assumption.

1. A schedule extension of 443 days as proposed by Clark Reeves & Young.
2. No new drawing set and technical specifications package shall be prepared. All changes made for the 7 MGD treatment capacity will be recorded in "Record Drawing" at close of the project.
3. This proposal is only for additional construction engineering services and resident project representation services to be provided by AtkinsRéalis and its Sub-consultants. This proposal does not include additional new construction cost by Clark Reeves & Young, if any.

All other terms, conditions, and provisions of the original Contract shall remain in full force and effect as of the date thereof.

Should you have any questions regarding this scope of work and cost proposal, please do not hesitate to contact me at (832) 279-7508. Thank you for the opportunity to be of service to the City of Canton on this important project.

Sincerely,

Atkins



William (Wendong) Xu, PhD, PE
Technical Manager



Mrs Bethany Watson, PE, AIP
City Engineer
City of Canton, GA
110 Academy Street
Canton, Georgia 30114

Re: Canton WPCP Expansion to 6 MGD Project Schedule Extension
AtkinsRéalis Additional CM and RPR Services Request - Revised

Dear Mrs. Watson

~~26 February 2025~~
7 October 2025

AtkinsRéalis
1600 RiverEdge Parkway
NW
Suite 700
Atlanta, GA 30328
United States of America

Tel: +1 770 933 0280 / +1
800 826 4284
Fax: +1 770 933 0691

william.xu@
[atkinsrealis.com](mailto:william.xu@atkinsrealis.com)

AtkinsRealis USA Inc.
Registered office: 4030 West
Boy Scout Boulevard, Suite
700, Tampa FL 33607, United
States

AtkinsRéalis is pleased to submit this proposal for authorization to perform additional construction engineering and resident project representation services during extended construction period to expand the plant capacity to 7 MGD treatment capacity.

AtkinsRéalis is working on construction phase services for the plant 7 MGD Expansion Project. Per original contract and change order No. 2 – WPCP expansion increase to 7 MGD, the project completion date was September 24, 2024, and our authorized service ended to this date. As the project schedule was pushed back many times because of construction delays, AtkinsRéalis has been continuing working on the same services based on mutual understanding and verbal agreement. In this request, AtkinsRéalis would like to formally ask the City of Canton to extend our service agreement.

~~Per the most recent project Schedule Update submittal (December 2024 submittal), the new project completion date is December 11, 2025.~~ AtkinsRéalis prepared our previous additional fee request proposal based on this date. Since then, the City of Canton and Clark Reeves & Young reached an agreement as Change Order No. 4 and extended the project final completion date to April 23, 2026. AtkinsRéalis is herewith proposing to provide additional construction engineering and resident project representation services to this new completion date now. This additional work will likewise be performed under the terms and conditions of our existing contract. Upon your review, AtkinsRéalis will work collaboratively with the City of Canton to address any outstanding questions or administrative activities necessary to execute the proposed scope of work.

Scope of Work

There is no change to majority of the Engineering Services tasks such as submittal and RFI review, change order review, record drawing preparation, et al. With the schedule delay, it requires more project management and construction observation services including the full-time Resident Project Representative (RPR). The details are listed as below.

A. Project Management

AtkinsRéalais will provide more project management services and it is mainly caused by the ~~443~~-576 days construction schedule extension. Additional project management activities consist of more of the following items: communicating with the City, Clark Reeves & Young, and project technical staff, document control, construction progress meetings and site visits, schedule and cost monitoring, and construction monthly progress reports.

B. Engineering Services During Construction

NA.

C. Construction Observation

AtkinsRéalais is providing a full-time Resident Project Representative (RPR) for the duration of construction activities. The responsibilities of the RPR are listed in AtkinsRéalais original proposal for the 6 MGD treatment capacity project and are not repeated herein. Because of the schedule extension of 443 days, we are proposing the RPR services to be extended for ~~443~~-576 days as well.

Compensation

The enclosed fee schedule will amend that included in our current contract and subsequent change orders. As in previous proposals, this scope of work represents a not-to exceed value and reflects the effort required to perform the duties described herein. The City will only be invoiced for actual work performed. Should the work effort be less than estimated herein, the City will not be billed for the balance of time accordingly.

FEE SUMMARY

TASK NO.	TASK DESCRIPTION		LABOR ^(a)	SUB-CONSULTANT SERVICES	EXPENSES ^(b)	TOTAL FEE
A	Project Management	506	\$ 99,340	\$ -	\$ -	\$ 99,340
B	Engineering Services During Construction					
C	Construction Observation					
	Resident project representative	3,146	\$ 506,960	\$ -	\$ 15,032	\$ 521,992
	Specialty inspections	0	\$ -	\$ -	\$ -	\$ -
	TOTALS:	3,652	\$ 606,300	\$ -	\$ 15,032	\$ 621,332

NOTES:

^(a) Labor fees include annual escalation of up to 3%;

^(b) Expenses primarily include reproduction and travel. Other ODCs may be negotiated with the City of Canton as necessary.

Project Assumptions

The proposed scope and fee are based on the scope of work described herein with the following assumption.

1. A schedule extension of ~~443~~ 576 days as proposed by Clark Reeves & Young.
2. No new drawing set and technical specifications package shall be prepared. All changes made for the 7 MGD treatment capacity will be recorded in "Record Drawing" at close of the project.
3. This proposal is only for additional construction engineering services and resident project representation services to be provided by AtkinsRéalis and its Sub-consultants. This proposal does not include additional new construction cost by Clark Reeves & Young, if any.

All other terms, conditions, and provisions of the original Contract shall remain in full force and effect as of the date thereof.

Should you have any questions regarding this scope of work and cost proposal, please do not hesitate to contact me at (832) 279-7508. Thank you for the opportunity to be of service to the City of Canton on this important project.

Sincerely,

Atkins



William (Wendong) Xu, PhD, PE
Technical Manager



Tyler Hewitt, PE
AtkinsRealis
1600 RiverEdge Parkway, Suite 700
Atlanta, GA, 30328

Subject: Response to Change Order Request – Water Pollution Control Plant Upgrade to 7 MGD

Dear Tyler,

After careful review and consideration of the submitted change order request, our team has determined that we are unable to approve the request for additional funding. The justification and supporting documentation provided does not adequately demonstrate that the proposed costs are the result of changes in the project scope, unforeseen site conditions, or errors or omissions attributable to the Owner.

We recently approved a separate Change Order to Clark Reeves Young (CRY) for TIA 01-04 in the amount of \$2.7 million. This settlement aligns with the amount Atkins proposed. As documented in the TIA, the issues leading to the MCC delivery schedule delay were attributed to Atkins' original electrical design.

In an email dated March 7, 2025, William Xu acknowledged the merit of this issue, and Atkins concurred with the resulting 174-day delay and associated costs. While the City accepted responsibility for the costs associated with Atkins' design errors, (as reflected in the \$2.7 million settlement), we cannot approve additional fees to Atkins related to the same circumstances we have already compensated for.

We appreciate your effort and the detail provided in your submission, as well as your continued partnership in managing this critical project. Please proceed with the project in accordance with the existing contract documents.

If you have additional information or documentation that supports the necessity of this change outside of the scope covered by the TIA 01-04 settlement, please feel free to resubmit the request for reconsideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Bethany Watson", written in a cursive style.

Bethany Watson, P.E., AICP
City Engineer

CC: Billy Peppers, City Manager
Nathan Ingram, Assistant City Manager



November 19, 2025

Ms. Bethany Watson, PE, AIP
City Engineer
City of Canton
110 Academy Street
Canton, Georgia 30114

Dear Ms. Watson:

AtkinsRéalis
1600 RiverEdge Parkway,
Suite 700
Atlanta, GA 30328

Tel: 770.933.0280

tyler.hewitt@
atkinsrealis.com

AtkinsRealis (ATRL) is in receipt of your letter sent via email on November 10, 2025 to deny ATRL's request for a change order to our existing construction management contract associated with the Canton WPCP Upgrade & Expansion Project. A subsequent meeting was conducted in person on November 17, 2025 at City Hall between members of the City of Canton (City) and ATRL. The purpose of this letter is to respond to the letter and document the content of the meeting consistent with the request for "additional information" noted in your correspondence.

We understand the decision to deny ATRL's request for a change order was based on a series of compounding issues, generally summarized to include: (1) Time Impact Analysis (TIA) settlement with the project's contractor Clark-Reeves+Young (CR+Y), (2) performance of the new Veolia (formerly Suez) membranes installed at the plant, (3) project communication, and (4) desire for ATRL to provide uncompensated labor to the project given the aforementioned issues. ATRL does not believe this to be reasonable or within the terms of our contract as discussed in the meeting and documented in the following paragraphs.

1. TIA Settlement with CR+Y

The City indicated their intention to resolve the TIA settlement with CR+Y prior to consideration of ATRL's change order request. On September 18, 2025, the City and CR+Y executed a settlement agreement and issued a subsequent change order. The settlement documented the financial and contractual terms reached to resolve the negotiations for construction delays associated with delivery of a motor control center (MCC). In summary, the contractual sum was increased by approximately \$2.7 million to compensate for expenses associated with the contractor's general conditions for a duration of 174-days. In addition, the contract time associated for substantial and final completion was increased by 612 and 576 days, respectively.

ATRL acknowledged in writing that CR+Y was within their contractual right to request additional compensation associated with delivery delays of the MCC; however, attributed the delays to supply chain disruptions caused by the COVID-19 pandemic rather than design changes. This is an external factor outside of control by all parties involved. It is noted that the CR+Y's contract includes the following provision in Section 12.03.C of the project specifications:

If Contractor is delayed in the performance or progress of the Work by fire, flood, epidemic, abnormal weather conditions, acts of God, acts or failures to act of utility owners not under the control of Owner, or other causes not the fault of and beyond control of Owner and Contractor, then Contractor shall be entitled to an equitable adjustment in Contract Times, if such adjustment is essential to Contractor's ability to complete the Work within the Contract Times. Such an adjustment shall be Contractor's sole and exclusive remedy for the delays described in this Paragraph 12.03.C.

It is the opinion of ATRL that COVID-19 pandemic qualifies as an "epidemic" under this provision of the contract. Below is a detailed summary of events and their subsequent impact on the project schedule:

Date	Description of Change	Responsible Party	Impact on MCC Fabrication
7/15/21	City approves upgrade 7 MGD, initiating scope-driven electrical design changes.	City of Canton	Scope change
10/13/21	Preliminary MCC Submittal 16155-001-A submitted.	CR+Y	N/A
10/19/21	Submittal returned Revise & Resubmit (R&R) by ATRL (response time 6 days)	AtkinsRéalisis	N/A
11/9/21	Revised Submittal 16155-001-B submitted.	CR+Y	N/A
11/19/21	Submittal returned R&R by Atkins (response time 10 days)	AtkinsRéalisis	N/A
11/19/21	Updated to show 400A breaker in Section G-1, starter added, feeder changes.	AtkinsRéalisis	Minor
11/19/21	BNR recycle pumps changed from 30HP to 25HP; breaker reduced from 100A to 60A.	AtkinsRéalisis	Minor
11/19/21	Citric Acid Pump changed from 40HP to 1HP; breaker and DS adjusted.	AtkinsRéalisis	Minor
1/6/22	Third MCC Submittal 16155-001-C submitted.	CR+Y	N/A
1/20/22	Submittal returned R&R by Atkins (response time 14 days)	AtkinsRéalisis	N/A
1/17/22	RFI-167: MBR Air Compressor changed from 7.5HP to 5HP.	CR+Y (Clarification)	None
2/25/22	MBR Motorized Valves 5 & 6 removed and turned to spare.	CR+Y (Clarification)	None
2/25/22	Updated drawings completed for Citric Acid Pump and MBR changes.	AtkinsRéalisis	N/A
3/25/22	CRY/Eaton Coordination meeting; no mention of MCC fabrication delays.	CR+Y / Eaton	N/A
4/1/22	CRY/White Electrical submit Notice of Potential Delay (NPD).	CR+Y / White Electrical	N/A

4/19/22	Final coordination meeting; MCC approved for release to Eaton.	All parties	N/A
5/19/22	CR+Y confirms MCCs released to Eaton for fabrication.	CR+Y / White Electrical	N/A
Post-Delivery	Exhaust/supply fans modified with motorized dampers onsite.	AtkinsRéalis	None
Post-Delivery	Field modifications to install LCPs inside MCC buckets.	AtkinsRéalis	one

As noted above, there were seven (7) documented changes to the MCC-BNR and MCC-MBR post-bid. These are generally categorized as follows:

- a. Scope-driven changes due to the City's request to upgrade the plant from 6-mgd to 7-mgd;
- b. Minor design clarifications addressed by November 19, 2021, significantly prior to CR+Y's issuance of a Notice of Potential Delay (NPD) on April 1, 2022. The last two changes were modified onsite upon delivery of the MCCs.

The exact onset of the supply chain delays is difficult to determine; however, the timeline demonstrates that responses to CR+Y's submittals and NPD were within the 14-day timeframe stipulated by the contract.

In addition, it is the City's opinion that ATRL negotiated and/or offered TIA settlement values directly to the contractor outside of the purview of the City. Consistent with normal construction management practices, ATRL had verbal discussions with the contractor in good faith to amicably address CR+Y's request; however, no offer was provided to CR+Y. The latest update concerning this matter was documented in an email to the City dated 8/19/2025. The matter was ultimately resolved through negotiations between the City and Contractor's attorneys without ATRL's involvement. ATRL was informed of the settlement by CR+Y.

2. Veolia Membrane Performance

As discussed in the meeting at City Hall, it is the City's opinion that ATRL has some level of responsibility in the poor performance of the new membranes installed at the plant and such likewise negatively influenced the City's consideration of ATRL's change order request. This opinion is primarily predicated on actions taken during the seeding and performance testing of the new BNR and MBR process units. As noted in ATRL's email on 4/2/25 and verbally discussed with the City numerous times, it is ATRL's opinion that this assertion is unfounded based on the following:

- a. Fine Screens. The fine screens were not operational at the time of the seeding and CR+Y and the City were unable to locate a rental screen within the timeframe needed to initiate the performance test. In order to maintain schedule, it was determined, in conjunction with Veolia and the City, that specific precautions would be undertaken to limit objects > 2mm from entering the BNR tanks. Veolia expressed no objections. Precautions included:
 - Influent to the SBR tanks was screened at the City's existing headworks;
 - Mixed liquor was withdrawn from the SBR(s) several feet below the water level and above the tank bottom to avoid the potential for entrapment of any

inorganic floatables at the surface and/or grit that may have settled in the tank;

- A 6-inch strainer was attached to the pump header;
- Upon seeding, Veolia conducted a filter-to-waste test in the BNRs to ensure the mixed liquor met their requirements prior to introducing to the MBRs for performance testing. Veolia was satisfied with the results and permitted mixed liquor to be introduced to the MBRs. This confirmation was provided in writing by Veolia.

b. Performance Testing. A 14-day system performance test was conducted after the seeding from 5/27/24 thru 6/10/24. The purpose was to test the performance of the membranes in a controlled environment prior to turning operations over to the City. The test was conducted 24 hours per day.

- The fine screens were operational for the duration of the performance testing and thereafter.
- Veolia deployed three (3) team members to the Canton WPCP for the performance test. Three people were deployed to ensure a Veolia representative was onsite at all times during the testing period.
- Operational data during the testing period was also monitored remotely by Veolia through the InSight system. Analytical data collected by the City's operations staff was sent to Veolia via email.
- Upon conclusion of the test period, a Performance Test Report was prepared by Veolia and submitted via CR+Y. The conclusion section on page 6 notes.. "As presented above, the Test went well and Veolia considers the performance test complete and successful."
- No adverse impacts from the seeding were noted in the report.

The MBRs operated successfully for approximately 4-months after the conclusion of the performance testing. It is noted that the plant experienced several power outages due to major storm events during this time. The power outages caused the fine screens to temporarily shut down and the screens were not restarted for several hours. This caused the overflow pipe in the fine screen structure to be activated in order for flow to be conveyed to the BNRs. The overflow pipe was constructed with a passive screen; however, It is our understanding operations staff had the screen on this pipe removed for logistical reasons. This could potentially be a source of some of the reported "ragging" that has occurred since testing but would need to be confirmed with the operations team. It was further noted on several occasions that the MBRs were being operated outside of the mixed liquor suspended solids (MLSS) criteria prescribed by Veolia and used as the basis of design by ATRL. Veolia has stated this was a contributing factor to the failing membrane cassettes. While it is acknowledged that membranes are complex and can be affected by several factors, ATRL has not been engaged by the City in post-startup negotiations with the membrane manufacturer or operations team to help foster a resolution.

3. Project Communication

The City expressed in the meeting at City Hall that ATRL has not provided consistent communication to the City regarding the challenges associated with the project.

ATRL conducts weekly and monthly progress meetings with the contractor and City to review project activities, preview upcoming work, coordinate activities, and review subsequent construction logs (ie. submittals, RFIs, etc.) Meeting notes are prepared and promptly submitted to all parties.

It is acknowledged that changes to City engineering leadership disrupted prior communications patterns experienced with the City. Upon notification by the City of the need to improve communication, a monthly “leadership” meeting was scheduled outside of the normal construction progress meetings to discuss any items and/or provide an opportunity for the City to ask detailed questions. This effort was acknowledged in the meeting at City Hall.

4. ATRL Provision of Uncompensated Labor

Per our current contract, construction services provided by ATRL are based on the construction schedule listed in the contract documents, as amended by the change order to expand the plant to 7-mgd. Mounting delays by CR+Y, well above and beyond that attributed to the MCC delivery, have continued to extend the time to Final Completion. As of the meeting at City Hall on Monday, the project is 419-days beyond the prior Final Completion date of 9/24/24 used as a basis for our budget and documented in our contract with the City.

In addition, ATRL has provided service to date that are beyond the scope defined in our contract without requesting additional compensation. This includes, but not limited to, the following items:

Item	ATRL Contract Parameter	Status to Date
1	80 bi-weekly meetings	A total of ≥230 progress meetings (53 monthly + ~180 weekly meetings)
2	5 startup and testing meetings	More than 5 startup/testing meetings in Phase 1 only
3	200 RFIs	569 RFIs processed to date
4	500 submittals	595 submittals processed (923 if counting resubmittals)
5	50 change orders	162 WCDs processed to date

In addition to defined contract parameters, ATRL has also provided the following services without requesting additional compensation:

- Review and completion of eleven (11) value engineering (VE) assignments and issuance and completion of nine (9) request for proposals (RFPs);
- Detailed review and preparation of a project recovery schedule associated with the MCC and other delays from the contractor. While contractually required by CR+Y, they failed to provide an adequate response. To foster project progress, ATRL employed a professional scheduler to examine CR+Y’s active schedule, identify deficiencies, and support negotiation of an

updated schedule to recover time lost due to the aforementioned issues. A resolution was reached in principal with CR+Y; however, the contractor failed to meet the agreed upon milestones at no fault to ATRL.

In addition, ATRL has absorbed the costs of post-bid electrical design modifications at no additional expense to the City. Throughout this project, AtkinsRéalis has continued to serve the City with diligence and professionalism, absorbing these additional costs by managing the work efficiently and with great care.

We acknowledge and share in the City's frustration with the ongoing schedule lag created by the contractor; however, have continued to serve the project at risk regardless of our contract status or our professional disagreement regarding our culpability for the 174-day schedule delay caused by delivery of the MCCs.

In conclusion, we respectfully request the City to reconsider their position on our change order. As discussed in the meeting at City Hall, it is our understanding that the City will review this letter and present to the City Council at their December 4th meeting for further consideration.

We remain committed to working collaboratively with the City to see the project through completion. We respectfully request a written determination upon review by the City Council at their next meeting. If there are any questions or clarifications required, please do not hesitate to contact me directly at (404) 597-5433.

Sincerely,



Tyler Hewitt, PE
Vice President