



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

MEMO NO. DRE11-013

1. Agenda Item Number:

23

2. Council Meeting Date:

June 23, 2011

TO: MAYOR & COUNCIL

3. Date Prepared: May 31, 2011

THROUGH: CITY MANAGER

4. Requesting Department: Transportation & Development

5. SUBJECT: Approve Contract Amendment No. 1 to Dennis L. Lopez and Associates for the McQueen Road Improvement Project, from Queen Creek Road to Riggs Road, Project No. ST0810, in the amount of \$15,200, for a revised contract total of \$62,450.

6. RECOMMENDATION: Staff recommends that Council approve Contract Amendment No. 1 to Dennis L. Lopez and Associates for the McQueen Road Improvement Project, from Queen Creek Road to Riggs Road, Project No. ST0810, in the amount of \$15,200, for a revised contract total of \$62,450.

7. BACKGROUND/DISCUSSION: On November 19, 2009, Council approved a contract with Dennis L. Lopez and Associates ("Lopez") for appraisal services needed in connection with the acquisition of roadway and easements required for the McQueen Road Improvements Project, from Queen Creek Road to Riggs Road (the "Project"). The contract awarded to Lopez provided enough funding for the preparation of 35 appraisal reports. Additional funding for appraisal services is needed in order to cover the unanticipated costs associated with performing appraisal updates (\$15,200), as the project was placed on hold due to budget constraints.

8. EVALUATION PROCESS: The additional funding will cover professional appraisal services needed in connection with the appraisal reports Lopez prepared for this Project.

9. FINANCIAL IMPLICATIONS:

Original Contract Cost:	\$47,250
Amendment No. 1	\$15,200
Total Revised Contract	\$62,450

Fund Source:

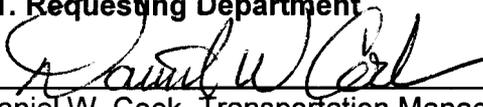
<u>Acct No.:</u>	<u>Fund:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Funds:</u>
415.3310.0.6517.10T478	Impact Fees	McQueen Road Improvement Project	FY08/09	\$15,200

10. PROPOSED MOTION: Move that Council approve Contract Amendment No. 1 to Dennis L. Lopez and Associates for the McQueen Road Improvement Project, from Queen Creek Road to Riggs Road, Project No. ST0810, in the amount of \$15,200, for a revised contract total of \$62,450, and authorize the Mayor to sign the Contract Amendment No. 1.

ATTACHMENT: Location/Site Map, Contract Amendment

APPROVALS

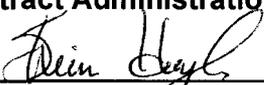
11. Requesting Department


Daniel W. Cook, Transportation Manager

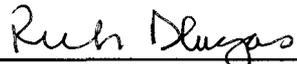
12. Department Head


R. J. Zeder, Transportation & Development Director

13. Buyer/Contract Administration

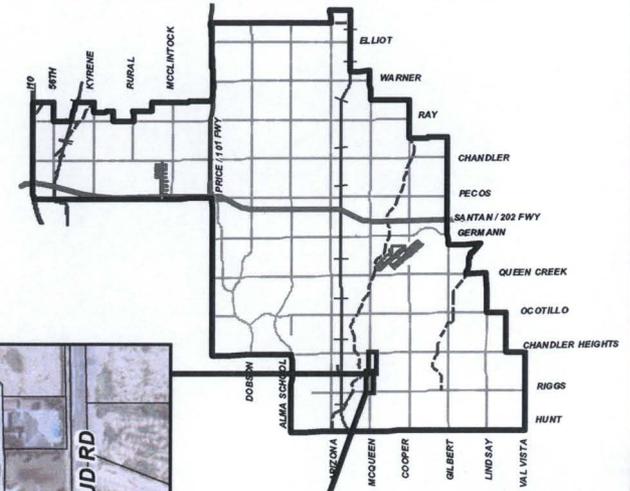

Sheina Hughes, City Engineer

14. City Manager


Rich Dlugas, City Manager



McQUEEN RD IMPROVEMENT PROJECT FROM CHANDLER HEIGHTS RD TO RIGGS RD PROJECT NO. ST0810



MEMO NO. DRE11-013
APPRAISAL SERVICES
CONTRACT AMENDMENT NO. 1

 PROPOSED R/W



Chandler Arizona

AMENDMENT NUMBER 1

Project Name: McQueen Road Improvement Project
Project No.: ST0810

This Amendment No. 1 to that certain Agreement between the City of Chandler (CITY) and Dennis L. Lopez and Associates, LLC, for \$15,200 is entered into this _____ day of _____, 2011.

WHEREAS the parties have determined that it is necessary and desirable for CONSULTANT to perform additional services for CITY;

NOW THEREFORE, the parties agree as follows:

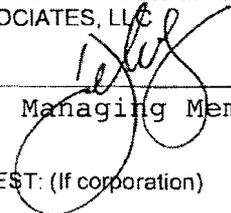
1. Section 1, of the above referenced Agreement, is hereby; amended by increasing the total contract price by an amount not to exceed the sum of Fifteen Thousand Two Hundred Dollars, (\$15,200) for a total Contract Price not to exceed the sum of Sixty Two Thousand Four-Hundred and Fifty Dollars (\$62,450) all payable in accordance with Exhibit B, attached hereto and incorporated herein by reference.
2. Section 5 of the above referenced Agreement is hereby amended by increasing the Contract Time by Five (5) days for a total Contract Time of Thirty-five (35) days from the original Notice to Proceed.
3. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this _____ day of _____, 2011.

CITY OF CHANDLER:

CONSULTANT: DENNIS L. LOPEZ AND ASSOCIATES, LLC

By: _____

By: 

MAYOR or
Department Head/Designee Date

Title: Managing Member

APPROVED AS TO FORM:

ATTEST: (If corporation)

City Attorney by: _____

Secretary

ATTEST:

WITNESS: (If Individual or Partnership)

City Clerk

SEAL



Chandler Arizona

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Project No.: ST0810

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CITY OF CHANDLER:

CONSULTANT: DENNIS L. LOPEZ AND ASSOCIATES, LLC

By: _____

By: _____

MAYOR or Date
Department Head/Designee

Title:

APPROVED AS TO FORM:

ATTEST: (If corporation)

City Attorney by: GAB

Secretary

ATTEST:

WITNESS: (If Individual or Partnership)

City Clerk

SEAL

Amendment No. 1 cont.

Project No. ST0810

THESE CHANGES RESULT IN THE FOLLOWING ADJUSTMENTS OF CONTRACT PRICE AND TIME

ORIGINAL CONTRACT AMOUNT	\$ 47,250
CURRENT CONTRACT PRICE PRIOR TO THIS AMENDMENT (Including previous amendments)	\$ 47,250
NET INCREASE / DECREASE (Resulting from this amendment)	\$ 15,200
REVISED CONTRACT PRICE (Including this amendment)	\$ 62,450
AMENDMENT PERCENTAGE (Of original contract price)	<u>32%</u>
CONTRACT TIME PRIOR TO THIS AMENDMENT (Including previous amendments). NTP End Date	_____
	(Days or Date)
NET INCREASE/DECREASE (Resulting from this amendment)	_____
	(Days or Date)
REVISED CONTRACT TIME (Including this amendment)	_____
	(Days or Date)
THIS AMENDMENT No. _____	Does not Require Council Approval: Less than \$30,000* _____
	More than \$30,000 but less than 10% of Contract* _____
THIS AMENDMENT No. _____	Requires Council Approval Greater than \$30,000* _____
	Greater than 10% of Contract * _____
	x
*Including City Manager approved Amendments	
ORIGINAL CONTRACT COUNCIL DATE: November 19, 2009 ITEM NO.:29, if applicable	
COUNCIL APPROVAL: _____ ITEM NO: _____, if applicable	
CITY OF CHANDLER (Date & Name of Owner Dept. verbal approval): _____	

CC: City Clerk User Dept Project Mgr Consultant Project Analyst File

CITY OF CHANDLER

OCT 19 2009

REAL ESTATE DIVISION

October 15, 2009

Mr. Dennis Lopez
Dennis L. Lopez & Associates, LLC
Real Estate Appraisers and Consultants
8631 South Priest Drive, Suite 103
Tempe, Arizona 85284 -1912

Re: Scope of Work for appraisal services
McQueen Road Project from Riggs Road to Queen Creek Road (ST0810-201)

Dear Mr. Lopez,

Based on your proposal, you will be providing appraisal services that include the following:

1. "Before and After" appraisal reports for partial or full acquisitions for the sum set forth as follows:

<u>Parcel Numbers</u>	<u>Not To Exceed Amount</u>
35 appraisal reports*	\$47,250
@ \$1,350.00 per parcel	

* Four reports added for contingency

2. Description of work to be done:

Complete summary self-contained appraisal reports according to Uniform Standards of Professional Appraisal Practice standards for full or partial acquisitions, whichever is applicable and assumes no environmental issues are present.
3. Data to be furnished to the APPRAISER by the CITY: Title reports, legal descriptions, drawings, area calculations, strip map, road plans and owner contact information
4. The Appraisal Reports will be reported in quadruplicate and each shall be complete within itself and shall conform to the Uniform Standards of Professional Appraisal Practice unless otherwise noted.
5. The completed Appraisal Reports are to be delivered to City of Chandler Public Works Real Estate Services on or before 5:00 p.m., **thirty days (30) days after receipt of authorization to proceed and the data outlined in paragraph 3.** The date of delivery of the report may not be extended without written authorization of the Real Estate Manager or their authorized agent.
6. The APPRAISER will be paid the sum as set forth in paragraph 1 for the completed work, which sum shall include all costs or expenses incurred by the APPRAISER. Payments to

the APPRAISER shall be made within thirty (30) days of submission of the completed Appraisal Reports and invoice. In the event the CITY requests the APPRAISER cease work on a particular project prior to its completion, payment shall be made prorated on the basis of work completed.

7. Where applicable, payment may be made as the portions of this work are completed and accepted by the CITY on the basis of the agreed fee amount for each parcel.
8. Appraisal Report(s) will be complete upon submission and the APPRAISER agrees to correct any omissions or errors on their part at no extra cost to the CITY.
9. The APPRAISER must notify landowner and/or their designated representative to inform them that they have been requested to perform an appraisal. APPRAISER shall allow the owner, or a representative of owner, the opportunity to provide any information they wish regarding the property and to accompany the APPRAISER during their inspection of the property.
10. Neither the APPRAISER'S employment nor their compensation are in any way contingent upon the amount at which they value the property.
11. The APPRAISER agrees to indemnify and save harmless the CITY, its officers agents and employees from any and all claims and losses accruing or resulting to the CITY in connection with the performance of this work, and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by the APPRAISER in the performance of this work.
12. The appraiser may not assign this work to another appraiser without consent by the City of Chandler.
13. Time is of the essence with production of the work for these Appraisal Reports. It is understood that should the APPRAISER not produce the agreed upon work in the proscribed time, the CITY may elect to ask the APPRAISER to terminate work on the project, and not be responsible for payment. In the event work is delayed, and the CITY elects to have APPRAISER continue with work, APPRAISER shall be responsible for payment to the CITY of \$100 per day in liquidated damages.
14. It is mutually understood that no alteration or variation of these terms will be valid unless made in writing and signed by the parties, and no alterations or variations of the terms hereof unless made in writing between the parties hereto shall be binding on any of the parties hereto.
15. The APPRAISER agrees that they will not disclose their report and conclusions in whole or in part to any person other than as provided in letter or except as directed by an authorized agent of the CITY.
16. The APPRAISER warrants that they have no interest, present or contemplated, in the property or the properties affected by this work.
17. The APPRAISER has not employed or retained any company, firm or person, other than a bona fide employee working solely for him, to solicit or secure this work, and that they

have not paid or agreed to pay any company, firm, or person, other than a bona fide employee working solely for them, any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award or making of this agreement. For breach or violation of this warranty, the CITY shall have the right to cancel this agreement without liability.

18. Pursuant to the provisions of A.R.S. § 41-4401, the APPRAISER hereby warrants to the City that the APPRAISER and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty").

A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.

The City retains the legal right to inspect the papers of any APPRAISER or Subcontractor employee who works on this Contract to ensure that the APPRAISER or Subcontractor is complying with the Contractor Immigration Warranty. The APPRAISER agrees to assist the City in the conduct of any such inspections.

The City may, at its sole discretion, conduct random verifications of the employment records of the APPRAISER and any Subcontractors to ensure compliance with Contractors Immigration Warranty. The APPRAISER agrees to assist the City in performing any such random verifications.

The provisions of this Article must be included in any contract the APPRAISER enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

In accordance with A.R.S. §35-393.06, the APPRAISER hereby certifies that the offeror does not have scrutinized business operations in Iran.

In accordance with A.R.S. §35-391.06, the APPRAISER hereby certifies that the offeror does not have scrutinized business operations in Sudan."

APPRAISER has signed the Contractor Immigration Warranty that is attached as Exhibit A to this Amendment and incorporated by reference.

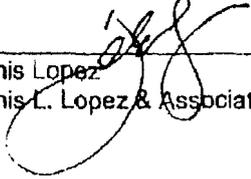
19. The APPRAISER shall maintain commercial general liability insurance with a limit of not less than \$500,000 for each occurrence and automobile liability in an amount not less than \$100,000 combined single limit. The "City of Chandler, its agents, representatives, officers, directors, officials and employees" shall be named as additional insured. If applicable, APPRAISER shall also carry worker's compensation insurance for all employees at statutory limits and Employer's Liability in an amount not less than \$100,000 for each accident/disease per employee. Prior to commencing work, evidence of such coverage shall be provided to the City by an acceptable Certificate of Insurance and approved by the City's Risk Manager.

Thank you for your assistance in this matter.

Sincerely,

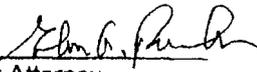
I HAVE READ, UNDERSTAND AND
AGREE TO THE FOREGOING TERMS.

Erich Kuntze
Real Estate Manager



Dennis Lopez
Dennis L. Lopez & Associates, LLC

Approved as to Form



City Attorney

EXHIBIT A

Contractor Immigration Warranty
To Be Completed by Contractor Prior to Execution of Contract

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the APPRAISER and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

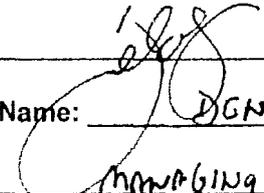
By completing and signing this form the APPRAISER shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

Project Number/Division: ST0810-201
Name (as listed in the contract): Dennis L. Lopez & Associates, LLC
Street Name and Number: 8631 South Priest Drive, Suite 103
City: Tempe State: Az Zip Code: 85284 -1912

I hereby attest that:

1. The APPRAISER complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this contract;
2. All subcontractors performing work under this contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees; and
3. The APPRAISER has identified all contractor and subcontractor employees who perform work under the contract and has verified compliance with Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214.

Signature of APPRAISER (Employer) or Authorized Designee:



Printed Name: DENNIS L. LOPEZ
Title: MANAGING MEMBER
Date (month/day/year): 10-15-09

Please let me know if you have any questions or need additional information.



DENNIS L. LOPEZ & ASSOCIATES, LLC
REAL ESTATE APPRAISERS AND CONSULTANTS

May 19, 2011

Sharon A. Joyce, SR/WA
Real Estate Manager
Real Estate Division
City of Chandler
215 East Buffalo Street, Suite 201
Chandler, Arizona 85225

Re: Proposal for 16 Appraisal Updates to Current Dates of Valuation
McQueen Road – Queen Creek Road to Riggs Road - Project No. ST0810-201
See attached list

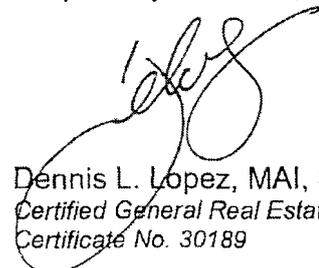
Dear Ms. Joyce:

My fee for estimating the market value of the fee simple interest in the above-referenced sixteen properties in order to estimate the value of the partial acquisitions and their effects would be **\$15,200 or \$950 each**. I appraised these parcels and fifteen others fifteen months ago for a fee of \$1,350 each. The market has changed. I anticipate including all-new market data within each appraisal. This group is varied including commercially- and residentially-oriented parcels of land ranging widely in size. Thus, reduced economies of scale do not allow a lower fee.

Four copies of "before and after" eminent domain appraisals, transmitted in summary reports, can be delivered to you in **35 days** from authorization. Per your instruction, the partial acquisitions are unchanged.

My standards are those prescribed by the current requirements of the City of Chandler, the Arizona Board of Appraisal and by the professional organizations to which I belong. I am aware of your requirements and you can be assured of reliable appraisals and timely delivery of the reports.

Respectfully submitted,



Dennis L. Lopez, MAI, SRA
Certified General Real Estate Appraiser - State of Arizona
Certificate No. 30189

DLL:dll

Chandler Heights McQueen Lender	PO Box 1169 PO Box 1169 Carefree, AZ 85377-1169	303-54-002W	
VCS Financial, LLC	12506 E. Scorpio Place Chandler, AZ 85249-4102	303-54-005N	12043 E. Via De Palmas Chandler AZ 85249-3406
Jon & Rebecca Crawford	1910 E. Sagittarius Pl. Chandler, AZ 85249-3751	303-54-005L	
McQueen Rd. Baptist Church Inc.	24211 S. McQueen Rd. Chandler, AZ 85249-3308	303-54-005P	
Anatolian Country Estates, HOA	4221 E. Winfield Scott Plaza Ste. 3 Scottsdale, AZ 85258	303-54-385	
Sanjay and Surabhi Nipanikar	24410 S. 120th Street, Chandler, Arizona 85249	303-54-007W	24410 S. 120th Street, Chandler 85249
Tim N. and Michele D. Sadow		303-54-007X	24414 S. 120th Place, Chandler AZ 85249
Cloud Trust First Mortgage, LLC Trust 06-01	11024 N. 28th Dr. # 170 Phoenix, AZ 85029	303-54-007K	24451 S. McQueen Rd
Sandra Gonzalez	2342 S. McClintock Dr/ Tempe AZ 85282- 2674	303-54-355	24605 S. McQueen Rd.
Rosa Gonzalez		303-54-007E	
Rosa Gonzalez	733 E. Fieldstone Pl. Chandler, AZ 85249-3612	303-54-007R	24631 S. McQueen Rd.
ML & CE Properties, LLC	877 E. Tyson Street, Chandler, AZ 85225-4755	303-54-009N	24809 S. McQueen Rd
Ramiro & Manuelita Ramirez	1037 E. Emerald Mesa, AZ 85203	303-54-009K	24823 S. McQueen Rd
John Odell	2755 E. Colonial Ct. Chandler, AZ 85249-5084	303-54-009B	25007 S, 100 th Dr.
Emment Roy & Evelyn Coleman	359 A Polk #153 Hatfield, AR 71945	303-54-009E	25015 S. McQueen Rd.
Lane-Western Co. Inc.		303-54-009T	

It is my understanding that the plans for this project have not changed, so you should use the legal descriptions and plans that you have on file for the estimates. After I receive the estimate, I will be preparing a contract amendment for your signature, and will have to obtain City Council approval for the contract amendment. Please wait for the Notice to Proceed from me after City Council has