



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA12-006**

1. Agenda Item Number:
21
2. Council Meeting Date:
August 18, 2011

TO: MAYOR & COUNCIL
THROUGH: CITY MANAGER

3. Date Prepared: July 11, 2011
4. Requesting Department: Transportation & Development

5. SUBJECT: Approve Contract Amendment No. 1 to SDB, Inc., pursuant to Job Order Contract No. JOC 07-04, to increase the annual limit of the Job Order Contract from \$1,500,000 to \$2,500,000.

6. RECOMMENDATION: Staff recommends that Council approve Contract Amendment No. 1 to SDB, Inc., pursuant to Job Order Contract No. JOC 07-04, to increase the annual limit of the Job Order Contract from \$1,500,000 to \$2,500,000.

7. BACKGROUND/DISCUSSION: SDB Inc. was selected for award of a Job Order Contract for general construction services, including major and minor construction projects, renovations and repairs, additions, demolitions, reconstructions, and alterations to City facilities, in accordance with established City policies and procedures. Thus far in 2011 the City performed downtown repairs, structural repairs to the Police garage, installation of flow meters, tenant improvements to the Snedigar Sportsplex and Tumbleweed Recreation Center, improvements to the facilities at Armstrong Yard, and upgrades to the Ocotillo Water Reclamation Facility. Project Agreement award amounts have exceeded the approved annual limit with the award of site upgrades to the Surface Water Treatment Plant and the Airport Water Reclamation Facility gate upgrades, both of which were brought forward for Council approval. Historically, annual limit increases have been brought forward for Council approval on the same memo as the project resulting in the need for a limit increase. Resultant of advice from City Law staff, limit increases are now being brought forward as separate items for Council approval.

8. EVALUATION: On January 27, 2011 Council approved a fourth one-year extension to SDB, Inc., Job Order Contract JOC07-04, for general construction services in an amount not to exceed \$1,500,000.

9. FINANCIAL IMPLICATIONS: Based on projected needs, staff anticipates that as much as \$2,500,000 will be used. Projects utilizing the Job Order Contract are those that recognize a savings from significant reductions in design costs or shortened project durations. Those project agreements exceeding \$50,000 will be brought forward to Council for approval.

10. PROPOSED MOTION: Move that Council approve Contract Amendment No. 1 to SDB, Inc., pursuant to Job Order Contract No. JOC 07-04, to increase the annual limit of the Job Order Contract from \$1,500,000 to \$2,500,000, and authorize the Mayor to sign the contract documents.

ATTACHMENTS: Contract Amendment

APPROVALS

11. Requesting Department

William P. Fay
William Fay, Public Works Engineer

13. Department Head

R.J. Zeder
R.J. Zeder, Transportation & Development Director

12. City Engineer

Sheina Hughes
Sheina Hughes, City Engineer

14. City Manager

Rich Dlugas
Rich Dlugas



Chandler Arizona

AMENDMENT NUMBER 1
TO JOC CONTRACT NO.: JOC07-04

Project Name: Job Order Contact (JOC) for Construction Services, Major Renovations, Repairs, Demolition and Re-construction
Project No.: JOC07-04

The City of Chandler (CITY) and SDB, Inc., a corporation of the State of Arizona, entered into a Job Order Contract No. JOC07-04, dated January 11, 2007. This Amendment No. 1 to that certain Contract between the City Of Chandler (CITY) and SDB, Inc., for Job Order Contact (JOC) for Construction Services, Major Renovations, Repairs, Demolition and Re-construction is entered into this ____ day of _____, 2011.

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

NOW THEREFORE, the parties agree as follows:

1. Section 3.1 of the above referenced Contract, is hereby amended by increasing work total by One Million dollars (\$1,000,000) and revised total work to the JOC by the City of Chandler in any one-year contract term to not exceed the sum of Two Million Five Hundred Thousand dollars (\$2,500,000).
2. 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:

By: _____
MAYOR Date

JOC:
By: B. Ball
Title:

APPROVED AS TO FORM:

ATTEST: (If corporation)

City Attorney by [Signature]
ATTEST:

Secretary
WITNESS: (If Individual or Partnership)

City Clerk

SEAL