



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA12-033**

1. Agenda Item Number:
15
2. Council Meeting Date:
September 8, 2011

TO: MAYOR & COUNCIL

3. Date Prepared: August 22, 2011

THROUGH: CITY MANAGER

4. Requesting Department: Municipal Utilities

5. SUBJECT: Award Change Order No. 1 and approve Project Agreement to SDB, Inc. for construction services for Flow Meter Installation, Project No. WW1014-401, in an amount not to exceed \$13,794, and for a revised agreement amount of \$60,066, pursuant to Job Order Contract No. JOC07-04.

6. RECOMMENDATION: Staff recommends Council award Change Order No. 1 and approve Project Agreement to SDB, Inc. for construction services for Flow Meter Installation, Project No. WW1014-401, in an amount not to exceed \$13,794, and for a revised agreement amount of \$60,066, pursuant to Job Order Contract No. JOC07-04.

7. BACKGROUND/DISCUSSION: Staff identified the need to install controls and flow meters in two (2) locations on gravity sewer lines to Intel. The original contract provided Remote Terminal Unit (RTU) drawings, Programmable Logic Controller (PLC) programming, installation of City supplied controls, flow meters, and antenna poles at each location. Change Order No. 1 will install integrated radio telemetry equipment to facilitate better communication with City Treatment Facilities and Intel. Included in the change order is the cost for divers to install the flow meters into the pipeline. Intel was unable to reduce flows to ensure a safe installation of the meters.

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. On July 28, 2011 Council approved an increase to the annual limit to \$2,500,000.

9. FINANCIAL IMPLICATIONS:

Cost:	\$46,272
	\$13,794 CHANGE ORDER NO. 1 (29% of Original)
	\$60,066 REVISED TOTAL
Savings:	N/A
Long Term Costs:	N/A

Fund Source:

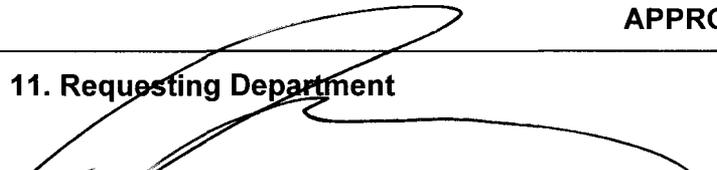
<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
615.3970.0000.5219	Wastewater Operating	Ocotillo Water Reclamation Facility	Non-CIP	\$13,794

10. PROPOSED MOTION: Move Council award Change Order No. 1 and approve Project Agreement to SDB, Inc. for construction services for Flow Meter Installation, Project No. WW1014-401, in an amount not to exceed \$13,794, and for a revised agreement amount of \$60,066, pursuant to Job Order Contract No. JOC07-04.

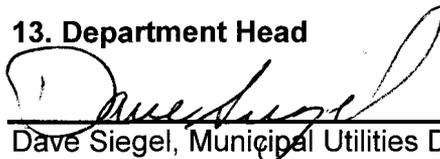
ATTACHMENTS: Contract, Location Map

APPROVALS

11. Requesting Department


John Knudson, Utilities Engineering Manager

13. Department Head


Dave Siegel, Municipal Utilities Director

12. City Engineer


Sheina Hughes, City Engineer

14. City Manager


Rich Dlugas



FLOW METER INSTALLATION PROJECT NO. WW1014-401





Chandler • Arizona
Where Values Make The Difference

March 7, 2011

FAX: 967-5841

Mr. Chris Larter
SDB, Inc.
810 W. First St.
Tempe, AZ 85281

Reference: **NOTICE TO PROCEED AND RETURN OF EXECUTED PROJECT AGREEMENT**

Project Name: Flow Meter Installation
Project Number: WW1014-401
Effective Date: March 7, 2011
Completion Date: July 5, 2011
Amount: \$ 46,272

This letter serves as **NOTICE TO PROCEED** with performance of the above-mentioned Project Agreement pursuant to contract JOC07-04 effective January 31, 2007.

A copy of this letter has been faxed to you. The original NTP and fully executed copy of the contract will be mailed to you. **Please indicate the above-mentioned project number on all correspondence.** Failure to do so will cause unnecessary delays.

When submitting payment requests, the following information is needed:

1. A completed City of Chandler, "Application and Certification for Payment", form mailed to: Contract Administration, P.O. Box 4008, MS407, Chandler, AZ 85244. If you have any questions regarding this document, please contact Contract Administration at 782-3307;
2. A clear, detailed billing invoice;
3. A spreadsheet summary reflecting current: work completion percentage, billed amount/percent, and project task status;
4. All backup documentation supporting items 1, 2, and 3.

If you have any questions please contact Contract Administration at 782-3307.

Sincerely,

Paula Brown
Contract Services Representative

Enclosure

c: Elisa Pursley Project Mgr. Purchasing Clerk File Janece Ray

Mailing Address
Mail Stop 407
PO Box 4008
Chandler, Arizona 85244-4008

Public Works Department
Contract Administration
Telephone (480) 782-3307
Fax (480) 782-3355
www.chandleraz.gov

Location
215 East Buffalo Street
Chandler, Arizona 85225

**PROJECT AGREEMENT
PURSUANT TO JOB ORDER CONTRACT NO. JOC 07-04**

**AGREEMENT NO: WW1014-401
PROJECT NAME (or LOCATION): Flow Meter Installation
DEPT.: Municipal Utilities**

This AGREEMENT is made this _____ day of _____ 2011, by and between the City of Chandler, a municipal corporation (hereinafter referred to as "CITY") and SDB, Inc. an Arizona corporation, (hereinafter referred to as "JOC") and is a Job Order entered into pursuant to JOB ORDER CONTRACT NO. JOC 07-04.

CITY and JOC, in consideration of the mutual covenants herein set forth, agree as follows:

ARTICLE 1. DESCRIPTION OF WORK

This Job Order Project is Flow Meter Installation, Project Number WW1014-401. The scope of work consists of installation of City supplied controls and flow meters, all as more particularly set forth in Exhibit A attached hereto and incorporated herein by reference.

The JOC shall not accept any change of scope, or change in contract provisions, unless issued in writing, as a contract amendment or change order and signed by the authorized signatories for each party.

ARTICLE 2. CONTRACT PRICE

CITY shall pay JOC for completion of the Work in accordance with the Contract Documents a fee not to exceed Forty Six Thousand Two Hundred Seventy Two Dollars (\$46,272) determined and payable as set forth in Contract JOC 07-04 and Exhibit B attached hereto and made a part hereof by reference.

ARTICLE 3. CONTRACT TIME & SCHEDULE

The Contract Time is One Hundred Twenty days and JOC agrees to complete all Construction within One Hundred Twenty (120) days from the effective date of the Notice to Proceed.

ARTICLE 4. GENERAL

This Project Agreement is entered into pursuant to JOB ORDER CONTRACT NO. JOC 07-04 and the terms and conditions contained therein are incorporated herein by reference as if set forth in full.

ARTICLE 5. ARIZONA PROCUREMENT LAW

Pursuant to the provisions of A.R.S. § 41-4401, the Contractor hereby warrants to the City that the Contractor 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 (Exhibit C) 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 Contractor or Subcontractor employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. The Contractor 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 Contractor and any Subcontractors to ensure compliance with Contractors Immigration Warranty. The Contractor agrees to assist the City in performing any such random verifications.

The provisions of this Article must be included in any contract the Contractor 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 Contractor hereby certifies that the offeror does not have scrutinized business operations in Iran.

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

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

This Agreement will be effective upon execution by the both parties.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this 4 day of March 2011.
CITY OF CHANDLER

CK

[Signature] 3/4/11
DEPARTMENT HEAD/DESIGNEE DATE:

FOR THE JO:
By: [Signature]
Title: Project Manager

ADDRESS FOR NOTICE
City of Chandler
P.O. Box 4008, Mail Stop 407
Chandler, AZ 85244-4008
480-782-3307

ADDRESS FOR NOTICE
Mr. Chris Larter
SDB, Inc.
810 W. First St.
Tempe, AZ 85281

APPROVED AS TO FORM:

Phone: 602-686-5615
Fax: 967-5641

[Signature]
City Attorney

By: _____
ATTEST: [Signature]
City Clerk



**EXHIBIT A
SCOPE OF WORK**

JOC shall provide all labor, material, and equipment to install CITY supplied controls and flow meters in two (2) locations on gravity sewer lines new Intel. Scope of work includes providing RTU drawings, performing PLC programming and install of software, and providing and install antenna poles for each location.

Clarifications:

- 1) Work per WW1014-201 drawings and specifications provided by Wilson Engineers, Project #10-0009 January 2011.
- 2) SCADA software provided by CITY.

Exclusions:

- 1) Permit Fees
- 2) Premium Time
- 3) Removal of Hazardous Waste

**EXHIBIT B
FEE SCHEDULE**

QUAN	CSI	Description	Unit	\$ per Unit	Total
	Division 1 - General Requirements				
40.0	01-3105	Project Manager	EA	\$ 70.00	\$ 2,800.00
80.0	01-3120	Superintendent	EA	\$ 55.00	\$ 4,400.00
1.0	01-7413	Port-o-John	EA	\$ 250.00	\$ 250.00
	Total - Division 1 - General Requirements				\$ 7,450.00
	Division 3 - Concrete				
1.0	02-2113	Concrete	LS	\$ 2,000.00	\$ 2,000.00
	Total - Division 3 - Concrete				\$ 2,000.00
	Division 25 - Integrated Automation				
1.0	25-0105	PLC programming & RTU Drawings	LS	\$ 9,200.00	\$ 9,200.00
	Total - Division 25 - Integrated Automation				\$ 9,200.00
	Division 26 - Electrical				
1.0	26-0501	Electrical, Wiring and conduit	LS	\$ 13,391.00	\$ 13,391.00
1.0	26-0501	Antenna Poles	LS	\$ 6,200.00	\$ 6,200.00
	Total - Division 26 - Electrical				\$ 19,591.00
	Sub Total				\$ 38,241.00
	Coefficient 21.0%				\$ 8,031.00
	Total				\$ 46,272.00

EXHIBIT C

**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 contractor 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 contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

Project Number: WW1014-401		
Project Name:		
Street Name and Number:		
City: Chandler	State: AZ	Zip Code:

I hereby attest that:

1. The contractor 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 contractor 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 Contractor (Employer) or Authorized Designee:



Printed Name: Chris Lanter

Title: Project Manager

Date (month/day/year): 2/25/11

CITY OF CHANDLER
CHANGE ORDER NUMBER 1
DATE 08/22/11

This Change Order is not valid until signed by both the City and the Contractor. Signature of the Contractor indicates agreement herewith, including any adjustments in the Contract Price or Contract Time.

PROJECT NAME	<u>Flow Meter Installation</u>	CONTRACTOR	<u>SDB</u>
PROJECT NO.	<u>WW1014-401</u>	COST ACCT #	<u></u>
USER DEPT	<u>Municipal Utilities</u>	NTP DATE	<u>03/07/11</u>

TO: SDB
 (CONTRACTOR)

YOU ARE DIRECTED TO MAKE THE FOLLOWING CHANGES TO THIS CONTRACT:
 (Describe changes in detail and/or reference attached cost breakdown sheet.)

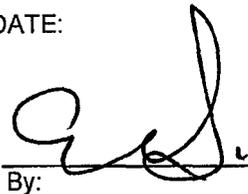
Provide and install an integrated RDC using divers and install additional electronic equipment to allow communication between the new antennas and OWRP. See Exhibit A Fee Schedule

ORIGINAL CONTRACT AMOUNT:	<u>\$46,272.00</u>
CURRENT CONTRACT PRICE PRIOR TO CHANGE ORDER: (Including previous change orders)	<u>\$46,272.00</u>
NET CHANGE RESULTING FROM THIS CHANGE ORDER:	<u>\$13,794.00</u>
REVISED CONTRACT PRICE INCLUDING THIS CHANGE ORDER:	<u>\$60,066.00</u>
CHANGE ORDER IS % OF ORIGINAL CONTRACT AMOUNT:	<u>29.81%</u>

CONTRACT TIME OR COMPLETION DATE PRIOR TO THIS CHANGE ORDER (Including previous change orders):	<u>120</u> <u>7/5/11</u> DAYS DATE
NET CHANGE RESULTING FROM THIS CHANGE ORDER:	<u>118</u> DAYS
REVISED CONTRACT TIME AND COMPLETION DATE:	<u>238</u> <u>10/31/11</u> DAYS DATE

THE ABOVE IS AGREED TO BY:

SDB
CONTRACTOR

By: 

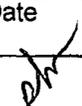
8-29-11
 Date

CITY OF CHANDLER (Date & Name of Owner Dept. verbal approval): Bob Fortier, 8/12/11

For Change Orders of less than \$50,000 and 10% of contract price:

Title: _____	Signature _____
Department Director or Designee	By: _____
Or (but not both)	Date _____

For Change Orders of \$50,000 or more, or 10% or more of contract price:

_____ MAYOR	_____ Date:
Approved by Council on: _____	_____ Date
Approved as to form: _____	Attest: City Clerk _____
City Attorney 	_____

**EXHIBIT A
FEE SCHEDULE**

CSI	Description	Cost
01	Division 1 - General Requirements	\$ 790.00
25	Division 25 - Integrated Automation	\$ 7,890.00
33	Division 33 - Utilities	\$ 2,720.00
Sub Total		\$ 11,400.00
Coefficient 21.0%		\$ 2,394.00
Total		\$ 13,794.00

DIVISION BREAKDOWN					
QUAN	CSI	Description	Unit	\$ per Unit	Total
Division 1 - General Requirements					
8.0	01-3120	Superintendent	EA	\$ 55.00	\$ 440.00
1.0	01-5450	Lift	EA	\$ 350.00	\$ 350.00
Total - Division 1 - General Requirements					\$ 790.00
Division 25 - Integrated Automation					
2.0	25-0501	Integ. Automation (RDC) Labor	LS	\$ 3,345.00	\$ 6,690.00
2.0	25-0501	Integ. Automation (RDC) Material	LS	\$ 600.00	\$ 1,200.00
Total - Division 25 - Integrated Automation					\$ 7,890.00
Division 33 - Utilities					
1.0	33-0330	Diver	LS	\$ 2,720.00	\$ 2,720.00
Total - Division 33 - Utilities					\$ 2,720.00