



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA  
Memo No. CA12-036**

**1. Agenda Item Number:**  
**9**  
**2. Council Meeting Date:**  
September 8, 2011

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** August 23, 2011

**THROUGH: CITY MANAGER**

**4. Requesting Department:** Municipal Utilities

**5. SUBJECT:** Report to Council for the emergency City Manager approval in the not to exceed amount of \$367,000 to Achen-Gardner Construction (AGC) for repairs at Chandler Boulevard and Lakeshore Drive.

**6. RECOMMENDATION:** Staff recommends acceptance of this report of the emergency City Manager approval in the not to exceed amount of \$367,000 to Achen-Gardner Construction (AGC) for repairs at Chandler Boulevard and Lakeshore Drive.

**7. HISTORICAL BACKGROUND / DISCUSSION:** During the evening of August 3, 2011, City staff were notified by Chandler residents that the pavement on Chandler Boulevard in the vicinity of Lakeshore Drive was rising and buckling and that water was flowing in the streets. Staff investigated and discovered a 12" potable water main break causing rising floodwaters to nearby neighbors. City staff isolated the area and stopped the flooding by closing valves. The location and nature of the break required heavy construction assets to mobilize to the area.

In an emergency, City staff utilize the most expedient available contract to do the work based on open purchase orders, availability of needed resources and equipment, and the reputation of contractors available. In this case City staff utilized the South Arizona Avenue Corridor Improvement contract because the project was physically close to the emergency and the needed equipment was available. However, funding for this change order comes exclusively from bond funds and not from the encumbrance previously committed to the South Arizona Avenue Corridor Improvement

City staff does not have the equipment to excavate and repair the damage caused by the water or the equipment to replace the potentially extensive amount of pavement compromised. With the roadway rapid failure, City staff negotiated a change order with Achen-Gardner Construction (AGC), the contractor for the nearby Arizona Avenue Corridor Improvement. AGC has the resources to perform the work and was already mobilized in the vicinity so they could begin work immediately.

Under Arizona Revised Statute 34-604, the City has the ability to procure emergency services if a situation exists that is a threat to the public health or safety. Under City Code Section 3-1 3.3, the City Manager may authorize emergency procurement of services if a situation exists that makes it contrary to the public interest to utilize the normal procurement procedures and approval of the City Council. The leak represented a potential threat to the homeowners and businesses in the area as well as a public safety issue for the traveling public.

**8. EVALUATION PROCESS:** Due to the nature of the leak's location, it is difficult to estimate a total cost until after the leak is uncovered and the total extent of the repairs identified. In discussions with the contractor, staff estimated up to ten days repair time at \$36,700 per day. The change order will be tracked for time and materials in the field to establish the final cost to the City.

**9. FINANCIAL IMPLICATIONS:**

**Fund Source:**

Cost: \$367,000.00

Savings: \$0

Long Term Costs: N/A

Funding Source:

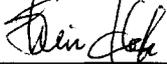
<u>Acct No.:</u>	<u>Fund:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Funds:</u>
601.3820.0000.6714.11W023	Water Bonds	Main Replacements	FY10/11	\$367,000

**10. PROPOSED MOTION:** Move that Council accept this report of emergency City Manager approval in the not to exceed amount of \$367,000 to Achen-Gardner Construction (AGC) for repairs at Chandler Boulevard and Lakeshore Drive.

**ATTACHMENTS:** Location Map

**APPROVALS**

**11. Requesting Department**



William P. Fay, Public Works Engineer

**13. Department Head**



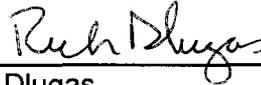
R.J. Zeder, Transportation & Development Director

**12. City Engineer**



Sheina Hughes, City Engineer

**14. City Manager**



Rich Dlugas