



Chandler - Arizona
Where Values Make The Difference

**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA13-010**

1. Agenda Item Number:

32

2. Council Meeting Date:
July 26, 2012

TO: MAYOR & COUNCIL

3. Date Prepared: July 9, 2012

THROUGH: CITY MANAGER

4. Requesting Department: Municipal Utilities

5. SUBJECT: Approve Change Order No. 1 to the Construction Manager at Risk contract with Achen-Gardner Construction, LLC for Phase II of the Ocotillo Water Transmission Main and Wastewater Forcemain, Project No. WW1105-402, in the amount of \$142,068.49 for a revised contract price of \$13,199,265.37.

6. RECOMMENDATION: Staff recommends Council approve Change Order No. 1 to the Construction Manager at Risk contract with Achen-Gardner Construction, LLC for Phase II of the Ocotillo Water Transmission Main and Wastewater Forcemain, Project No. WW1105-402, in the amount of \$142,068.49 for a revised contract price of \$13,199,265.37.

7. BACKGROUND/DISCUSSION: On May 24, 2012 Council approved a Construction Manager at Risk contract with Achen-Gardner Construction, LLC to construct the Ocotillo Water Transmission Main and Wastewater Forcemain. Work under this project included a new sewer forcemain to transfer wastewater flows from the Ocotillo Water Reclamation Facility to the Airport Water Reclamation Facility for treatment, and a new water transmission main to serve future system demands in southwest Chandler.

On Ocotillo Road east of Arizona Avenue, the forcemain crosses under the Union Pacific Railroad. The forcemain design brings the pipe very close to an existing SRP irrigation channel, necessitating filling or temporarily piping the channel to accommodate construction. Achen-Gardner included an allowance in their existing GMP to accommodate this work near the existing channel. An estimate was prepared to determine the cost to backfill the channel with dirt during the pipe work, then re-open and repair the channel when the forcemain is complete.

Future construction of the Ocotillo Road Improvement project includes relocation and undergrounding of the same irrigation channel, with work anticipated to begin fall 2013. To save the cost of performing irrigation work twice, staff believes the best approach is to shift the permanent relocation of the irrigation line to Achen-Gardner's scope of work in the Ocotillo Water Transmission Main and Wastewater Forcemain contract. Cost for permanent relocation of the irrigation line will be covered by a \$65,000 contribution from Municipal Utilities, equal to those costs that would have incurred for the temporary filling of the channel. Transportation & Development will contribute the remainder of funds from the Ocotillo Road Improvement project.

The difference of \$107,297.25 between the allowance total and the temporary channel fill estimate will be realized as a savings to the forcemain project. The Ocotillo Road Improvement project also benefits by a \$65,000 cost savings for relocation of the SRP lateral paid for by the forcemain project.

8. EVALUATION: The selection process was followed in accordance with State law for design services. Twelve Statements of Qualifications were received from qualified firms on November 4, 2011. The Selection Committee included the following members:

- Bob Fortier, Construction Project Manager
- Joshua Plumb, P.E., Engineering Project Manager
- Kim Neill, Utilities Operations Manager
- Alvin Robertson, Wastewater Collection Superintendent
- Terry Cole, Chandler Resident/Contractor
- John Ryzdzewski, Intel Corporation

Achen-Gardner Construction, LLC was selected based on qualifications, construction capability, current workload, and experience. The costs for this project have been confirmed by independent cost estimates from the Ocotillo Road Engineer.

9. FINANCIAL IMPLICATIONS:

Cost: \$142,068.49
Savings: \$107,297.25

Fund Source:

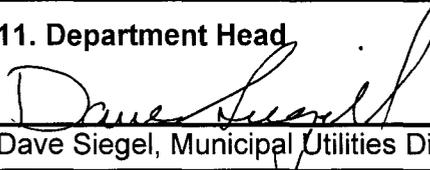
<u>Account No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
615.3910.6810.6VW022	Wastewater Operating	Water Reclamation Facility Expansion	Yes	\$142,068.49

10. PROPOSED MOTION: Move Council approve Change Order No. 1 to the Construction Manager at Risk contract with Achen-Gardner Construction, LLC for Phase II of the Ocotillo Water Transmission Main and Wastewater Forcemain, Project No. WW1105-402, in the amount of \$142,068.49 for a revised contract price of \$13,199,265.37, and authorize the Mayor to sign the contract documents.

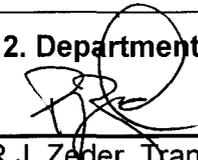
ATTACHMENTS: Change Order, Map

APPROVALS

11. Department Head


Dave Siegel, Municipal Utilities Director

12. Department Head

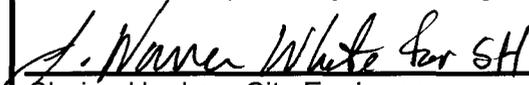

R.J. Zeder, Transportation & Development Director

13. Transportation & Development


Bob Fortier, Capital Projects Manager

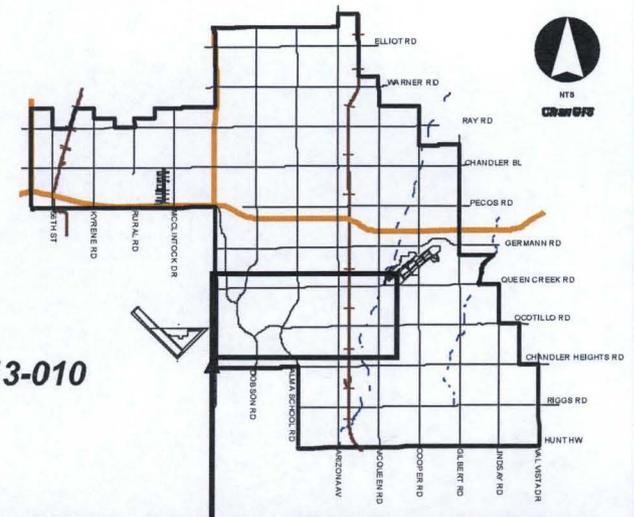
14. City Manager


Rich Dlugas


Sheina Hughes, City Engineer

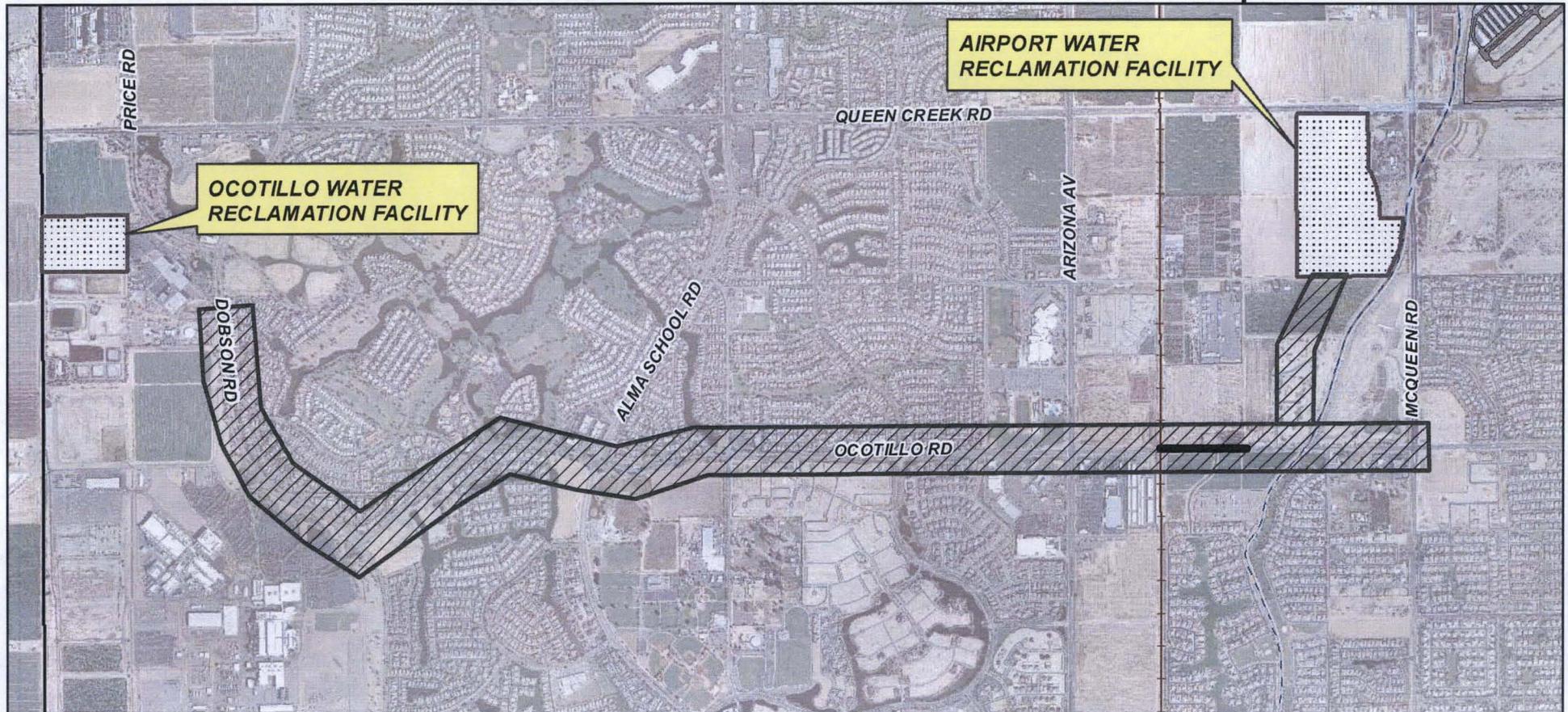


OCOTILLO WATER TRANSMISSION MAIN AND WASTEWATER FORCE MAIN PROJECT NO. WW1105-402



MEMO NO. CA13-010

-  SRP IRRIGATION LINE
-  PROJECT AREA



CITY OF CHANDLER
CHANGE ORDER NUMBER 1
DATE _____

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.

	South Chandler Force Main Ocotillo Water Reclamation Facility to Airport Water Reclamation Facility and Water Transmission Main	CONTRACTOR	Achen-Gardner Construction
PROJECT NAME		COST ACCT #	415.3310.5922.0000.6ST607.0000
PROJECT NO.	WW1105-402	NTP DATE	06/01/12
USER DEPT	Municipal Utilities		

TO: Achen-Gardner Construction
(CONTRACTOR)

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

CM@Risk shall provide all equipment, labor, material, supervision and incidentals as required to construct approximately 1150 lineal feet of the proposed new SRP Irrigation 36" RGRCP pipe from Sta 14+88.5 to 26+37.5, per SRP revised plans dated 12/22/11. The scope of work shall also include manhole #2, temporary tie-in to the existing ditch, and associated work items. Fee Schedule Exhibit A, attached hereto and incorporated herein by reference.

ORIGINAL CONTRACT AMOUNT:	\$13,057,196.88
CURRENT CONTRACT PRICE PRIOR TO CHANGE ORDER: (Including previous change orders)	\$13,057,196.88
NET CHANGE RESULTING FROM THIS CHANGE ORDER:	\$142,068.49
REVISED CONTRACT PRICE INCLUDING THIS CHANGE ORDER:	\$13,199,265.37
CHANGE ORDER IS % OF ORIGINAL CONTRACT AMOUNT:	1.09%

CONTRACT TIME OR COMPLETION DATE PRIOR TO THIS CHANGE ORDER (Including previous change orders):		4/1/13
	DAYS	DATE
NET CHANGE RESULTING FROM THIS CHANGE ORDER:	0	
	DAYS	
REVISED CONTRACT TIME AND COMPLETION DATE:	0	4/1/13
	DAYS	DATE

THE ABOVE IS AGREED TO BY:

Achen-Gardner Construction
CONTRACTOR

[Signature]
By: 7/12/2012
Date

CITY OF CHANDLER (Date & Name of Owner Dept. verbal approval): _____

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
Approved by Council on: _____
Date

Date:
Attest: City Clerk _____
Date

Approved as to form: _____
Revised 1-08 City Attorney
22010 (update 2/25/03) *[Signature]*

Exhibit A
Fee Schedule

Item #	Item Description	Total Qty	Unit	Unit Cost	Total Cost
SRP IRRIGATION REPLACEMENT					
1006.6	SRP GRAVITY BYPASS AT UPRR (36" Pipe in existing open ditch)	(1,650)	LF	87.80	(144,870.00)
1006.6	SRP CANAL REPLACEMENT FIXED QUOTE	1	LS	176,138.00	176,138.00
1007	OWNER'S CONTINGENCY	1	LS	90,015.00	90,015.00
SUBTOTAL #1 - CONSTRUCTION CONTINGENCY DIRECT COSTS					\$ 121,283.00
1002	Contractor's Fee for Overhead (7.5%) and Profit (2.5%) OR Total Fee of 10%	10%	%		12,128.30
Subtotal #2 - Fee					\$ 12,128.30
Running Total #2 - Total w/o Bond, Insurance, & Tax					\$ 133,411.30
1003	Builder's Risk, General Liability, Auto Insurance, etc. (1.5% of Running Total #2)	1.5%	%		2,001.17
1004	General Contractor's Bond (1% of Running Total #2)(Allowance)	1.0%	%		1,334.11
Subtotal #3 - Markups					\$ 3,335.28
Running Total #3 - Total w/o Tax					\$ 136,746.58
1005.a	Sales Tax (COC 65% of 8.8% or 5.72% of Running Total #4) (Allowance)	5.72%	%		7,821.90
1005.b	Tax Credits (Allowance) (Current Estimated Costs - Storm Drain, Irrigation Pipe, Potable, and Reclaimed Water Pipe)	Allow	LS		(2,500.00)
1005	Subtotal #4 - Taxes				\$ 5,321.90
Running Total #4 - TOTAL SRP IRRIGATION REPLACEMENT OPTION					\$ 142,068.49

- Replacement Price assumes SRP will allow a 7 day minimum diversion (or dry up of flows) in September to accommodate construction
- Replacement Price assumes it will be constructed concurrently with the FM/TM operations in this area and as such does not include additional costs associated with general conditions/supervision, dust control, and traffic control as these scopes are already included in the FM/TM GMP 1 & 2.
- Replacement scope includes removal, backfill, and re-compaction of the existing SRP Irr delivery ditch.