



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. MUA13-017**

1. Agenda Item Number:
25

2. Council Meeting Date:
September 13, 2012

TO: MAYOR & COUNCIL

3. Date Prepared: August 27, 2012

THROUGH: CITY MANAGER

4. Requesting Department: Municipal Utilities

5. SUBJECT: Report to Council of the emergency City Manager approval of Change Order No. 2 to Achen-Gardner Engineering, LLC for the Gilbert Road Improvements, Project No. ST0809-401, in an amount not to exceed \$250,000, for a revised contract total of \$12,807,569.48.

6. RECOMMENDATION: Staff recommends acceptance of this report to Council of the emergency City Manager approval of Change Order No. 2 to Achen-Gardner Engineering, LLC for the Gilbert Road Improvements, Project No. ST0809-401, in an amount not to exceed \$250,000, for a revised contract total of \$12,807,569.48.

7. BACKGROUND / DISCUSSION: During the early morning of August 26, 2012, City staff at the Pecos Water Treatment Plant noticed a significant drop in water pressure. Staff investigated and discovered a 12" main break at Chandler Boulevard. Staff took immediate action to shut down the water main. The location and nature of the water main break has been discovered and repaired. However, the discharge of the water into the subgrade has significantly damaged the roadway and it must be repaired using heavy construction assets.

City staff does not have the equipment to excavate and repair the damage caused by the water or the equipment to replace the extensive amount of compromised pavement. With the impact on the major arterial roadway and associated safety issues, City staff negotiated a change order with the contractor on a nearby similar roadway and utilities project, Achen-Gardner Engineering, LLC (AGC). AGC has the resources to perform the work and was already mobilized in the vicinity so they could begin work immediately.

Due to the waterline leak's location, it represented a potential threat to the traveling public. Arizona Revised Statute 34-606 provides for the procurement of emergency services in the event of a public health or safety concern. City Code Section 3-13.3 provides for City Manager approval of emergency procurement of services if a situation exists that makes it contrary to the public interest to utilize normal procurement procedures and approval of City Council. Staff found this situation was an emergency and required immediate attention and therefore, recommended the City Manager approve the contract in the amount of \$250,000. City Code requires staff to advise Council of the need to procure emergency services in excess of the \$50,000 in construction services.

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 approximately ten days repair time at a total cost of \$250,000 including the cost of materials. The change order will be tracked for time and materials in the field to establish the final cost to the City.

9. FINANCIAL IMPLICATIONS:

Cost: \$250,000
Long Term Costs: None

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
601.3820.6714.6WA023	Water Bonds	Main Replacements	Yes	\$250,000

10. PROPOSED MOTION: Move Council accepts this report to Council of the emergency City Manager approval of Change Order No. 2 to Achen-Gardner Engineering, LLC for the Gilbert Road Improvements, Project No. ST0809-401, in an amount not to exceed \$250,000, for a revised contract total of \$12,807,569.48.

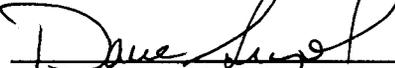
ATTACHMENTS: Location Map

APPROVALS

11. Requesting Department


Bob Fortier, Capital Projects Manager

13. Department Head


Dave Siegel, Municipal Utilities Director

12. City Engineer


Sheina Hughes, City Engineer

14. City Manager


Rich Dlugas



EMERGENCY REPAIRS FOR WATER MAIN BREAK IN CHANDLER BL.



MEMO NO. TDA13-023

 **AFFECTED AREA**

