



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CP15-197**

1. Agenda Item Number:
23
2. Council Meeting Date:
March 26, 2015

TO: MAYOR & COUNCIL

3. Date Prepared: February 27, 2015

THROUGH: CITY MANAGER

4. Requesting Department: Transportation & Development

5. SUBJECT: Job Order Contracting (JOC) extension for general construction services with SDB, Inc.

6. RECOMMENDATION: Staff recommends City Council approve a one (1) year JOC contract extension for general construction services, Contract No. JOC1201.401, with SDB, Inc., in an amount not to exceed \$1,500,000.

7. BACKGROUND/DISCUSSION: Staff anticipates needing services related to general construction services in support of the Fiscal Year 2015/2016 Capital Improvement Program. City Council approved the initial contract on March 8, 2012, with the option to renew for four (4) additional one-year terms. This is the third contract extension for SDB, Inc. Dependent upon the project design needs, work will rotate among two (2) firms based on availability and expertise. This action will save on the cost of the selection process and time to bring individual projects forward.

Project Agreements establishing the cost, time, and scope of work, will be executed when individual projects or Job Orders are issued. If a project cost exceeds \$50,000, a Project Agreement will be submitted to City Council for approval.

8. EVALUATION: Consultant selection was conducted in accordance with established City policies and procedures. On January 19, 2012, Staff received Statements of Qualifications from 21 firms for general construction services. The Selection Committee reviewed the qualifications and chose three (3) firms for recommendation.

During the previous extension period, SDB, Inc., has been awarded Project Agreements for a combined total of \$745,071. Some examples are:

Queen Creek / McQueen Intersection Repairs	\$ 110,001
Park Playground Surface Replacement	\$ 25,579
Hunt Highway Water Line Repair	\$ 46,467

Staff recommends a one (1) year contract extension award to SDB, Inc. The term of this extension is March 21, 2015, to March 20, 2016.

9. FINANCIAL IMPLICATIONS:

Cost:	\$1,500,000
Savings:	N/A
Long Term Costs:	N/A

The owner/user department shall provide funding for each individual project.

10. PROPOSED MOTION: Move City Council approve a one (1) year JOC contract extension for general construction services, Contract No. JOC1201.401, with SDB, Inc., in an amount not to exceed \$1,500,000.

ATTACHMENT: Contract Extension

APPROVALS

11. Requesting Department



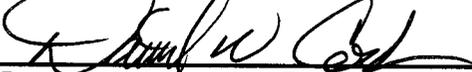
Bob Fortier, Capital Projects Manager

13. Department Head



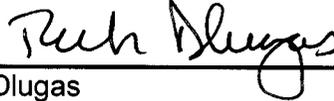
R.J. Zeder, Transportation & Development Director

12. Transportation & Development



Daniel W. Cook, City Engineer

14. City Manager



Rich Dlugas

**NOTICE OF EXERCISE OF OPTION TO EXTEND
JOB ORDER CONTRACT FOR CONSTRUCTION SERVICE, MAJOR RENOVATIONS, REPAIRS,
DEMOLITION AND RE-CONSTRUCTION
PROJECT NUMBER JOC1201.401**

The City Council authorized the City of Chandler (hereinafter referred to as "CITY") and SDB, Inc., a corporation of the state of Arizona, (hereinafter referred to as "JOC") entered JOC Contract for Construction Service, Major Renovations, Repairs, Demolition and Re-Construction Services (hereinafter referred to as "AGREEMENT") which was approved by the City Council on March 8, 2012 and executed on March 21, 2012, for a one-year term and then extended for two one-year terms. The parties want to extend this AGREEMENT again for a term beginning on March 21, 2015 and expiring on March 20, 2016.

WHEREAS, CITY reserved the right to exercise options to renew the AGREEMENT for four additional one year terms, and the City did renew the AGREEMENT for the terms from March 21, 2013 through March 20, 2014 and for March 21, 2014 through March 20, 2015, and

WHEREAS, CITY wishes to exercise its option to extend the AGREEMENT effective March 21, 2015 for one year and JOC agrees to this extension.

NOW THEREFORE, in exchange of valuable consideration, the parties agree as follows.

1. The parties entered into the AGREEMENT set forth above and executed such AGREEMENT on March 21, 2012.
2. The term of the AGREEMENT was for one year commencing on the date of execution of the AGREEMENT which was March 21, 2012.
3. CITY reserved the right to exercise options to renew the AGREEMENT for four additional one year terms, and the city did renew the AGREEMENT for the terms from March 21, 2013 through March 20, 2014 and from March 21, 2014 through March 20, 2015.
4. CITY is exercising the option to extend the AGREEMENT for one year effective March 21, 2015.
5. CITY hereby gives notice of the exercise of its option to extend the CONTRACT for one year for the term from March 21, 2015 through March 20, 2016 pursuant to the same terms and conditions as the CONTRACT and JOC agrees to such extension.
6. This Notice is hereby incorporated to the CONTRACT and must be filed with the City Clerk's Office.
7. The total cost of work issued to the JOC by the City of Chandler for this one year extension will not exceed One Million Five Hundred Thousand dollars (\$1,500,000).
8. All other terms and conditions of the above referenced Contract shall remain unchanged and in full force and effect.

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

This Notice is hereby incorporated to the CONTRACT and must be filed with the City Clerk's Office

This Notice is hereby signed and approved by CITY and JOC

CITY OF CHANDLER

JOC: SDB, Inc.

MAYOR Date

By: B. Bohnsack
Title: Brian Bohnsack, VP/COO

APPROVED AS TO FORM:

ATTEST: If Corporation

City Attorney by: [Signature]

A. R. Schmitt
Secretary

ATTEST:

WITNESS: (If individual or Partnership)

City Clerk

SEAL

CC: Project Mgr. Contractor File