



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA  
Memo No. CP17-098**

**1. Agenda Item Number:**

**20**

**2. Council Meeting Date:**  
November 10, 2016

**TO: MAYOR & CITY COUNCIL**

**3. Date Prepared:** October 18, 2016

**THROUGH: CITY MANAGER**

**4. Requesting Department:** Airport

**5. SUBJECT:** Project Agreement with DNG Construction, LLC, for Airport Traffic Control Tower HVAC Improvements

**6. RECOMMENDATION:** Staff recommends City Council award a Project Agreement to DNG Construction, LLC, for Airport Traffic Control Tower HVAC Improvements, Project No. AI1608.401, pursuant to Job Order Contract for Construction Services, Major Renovations, Repairs, Demolition and Re-Construction Services, No. JOC1602.401, in an amount not to exceed \$215,817.

**7. BACKGROUND/DISCUSSION:** This project improves the Air Traffic Control Tower (ATCT) ventilation and electrical systems to maintain internal temperatures. The scope of work includes electrical demolition, installation of new electrical equipment and wiring, mechanical demolition, removal of existing rooftop heat pumps, installation of mechanical refrigerant liquid and suction lines, and installation of new rooftop heat pump, a new ground mount condensing unit, and new mechanical equipment. Appropriations from Project AI702 (Replace Tower Transceivers) are being used for this project to help offset the cost. The work will occur on an active ATCT under tight scheduling to avoid disruption to air traffic control operations. The project is using the Job Order Contract method to ensure completion before summer 2017. A contract amendment with DNG Engineering, pursuant to Job Order Contract JOC1601.401, to increase the annual limit by \$500,000 to \$1,250,000 is also scheduled for this Council meeting.

**8. EVALUATION:** This project is being performed under the Job Order Contract for Construction Services, Major Renovations, Repairs, Demolition and Re-Construction Services, No. JOC1602.401, to DNG Construction, LLC. The costs proposed for this project have been evaluated by Staff and are determined to be reasonable. The contract completion time is 90 calendar days following Notice to Proceed.

**9. FINANCIAL IMPLICATIONS:**

Cost: \$215,817  
Savings: \$0  
Long Term Costs: \$0  
Fund Source:

<u>Account No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
635.4110.0000.5219	Airport Capital	HVAC Improvements	No	\$12,500
635.4110.0000.6212	Airport Capital	HVAC Improvements	No	\$148,500
635.4110.0000.5219	Airport Capital	Tower Radios	No	\$2,459
635.4110.0000.5875	Airport Capital	Tower Radios	No	\$2,436
635.4110.0000.6314	Airport Capital	Tower Radios	No	\$16,159
417.4110.0000.5875	Airport Capital Grant	Tower Radios	No	\$33,763
<b>Total</b>				<b>\$215,871</b>

**10. PROPOSED MOTION:** Move City Council award a Project Agreement to DNG Construction, LLC, for Airport Traffic Control Tower HVAC Improvements, Project No. AI1602.401, pursuant to Job Order Contract for Construction Services, Major Renovations, Repairs, Demolition and Re-Construction Services, No. JOC1602.401, in an amount not to exceed \$215,817.

**ATTACHMENTS:** Project Agreement, Location Map

**APPROVALS**

**11. Requesting Department**

*Chris Andres*

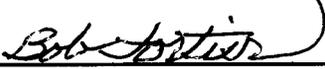
Chris Andres, Airport Administrator

**13. Department Head**

*Nachie Marquez*

Nachie Marquez, Assistant City Manager

**12. Transportation & Development**



Bob Fortier, Capital Projects Manager

**14. City Manager**



Marsha Reed

**PROJECT AGREEMENT AI1608.401  
PURSUANT TO JOB ORDER CONTRACT NO. JOC1602.401**

**PROJECT AGREEMENT NO: AI1608.401  
PROJECT NAME (or LOCATION): AIR TRAFFIC CONTROL TOWER HVAC IMPROVEMENTS  
DEPT.: Airport**

This PROJECT AGREEMENT is made this \_\_\_\_ day of \_\_\_\_\_, 2016, by and between the City of Chandler, a municipal corporation (hereinafter referred to as "CITY") and **DNG Construction, LLC, a limited liability company, licensed in the state of Arizona**, (hereinafter referred to as "JOC") and is a Job Order entered into pursuant to JOB ORDER CONTRACT NO. JOC1602.401.

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 **AIR TRAFFIC CONTROL TOWER HVAC IMPROVEMENTS**, Project Number **AI1608.401**. The scope of work consists of installing HVAC upgrades to the air traffic control tower, 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.

At project completion, JOC shall complete Contractor's Affidavit Regarding Settlement of Claims and Certificate of Completion, as set forth in Exhibit C and Exhibit D respectively attached hereto and incorporated herein by reference.

**ARTICLE 2 - CONTRACT PRICE:**

CITY shall pay JOC for completion of the Work in accordance with the Contract Documents a fee not to exceed the Guaranteed Maximum Price of Two Hundred Fifteen Thousand Eight Hundred Seventeen Dollars (\$215,817) determined and payable as set forth in Contract JOC1602.401 and Exhibit B attached hereto and made a part hereof by reference.

**ARTICLE 3 - CONTRACT TIME & SCHEDULE:**

The Contract Time is Ninety calendar days and JOC agrees to complete all Construction within Ninety (90) calendar 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. JOC1602.401 and the terms and conditions contained therein are incorporated herein by reference as if set forth in full.

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

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

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF CHANDLER

\_\_\_\_\_  
MAYOR DATE:

ADDRESS FOR NOTICE  
City of Chandler  
P.O. Box 4008, Mail Stop 407  
Chandler, AZ 85244-4008  
480-782-3308

APPROVED AS TO FORM:

\_\_\_\_\_  
By: \_\_\_\_\_ City Attorney *[Signature]*

ATTEST:

\_\_\_\_\_  
City Clerk

FOR THE JOC:

By: *[Signature]*, David Gray  
Title: President

ADDRESS FOR NOTICE

\_\_\_\_\_  
DNG Construction, LLC  
1440 S. Priest Dr., Ste. 104  
Tempe, AZ 85281

Phone: 480-361-9137

**EXHIBIT A  
SCOPE OF WORK**

JOC shall perform the following scope of work:

1. Perform electrical demolition per the below referenced plans and specifications.
2. Furnish and install new electrical equipment and wiring per the below referenced power plan.
3. Perform all specified mechanical demolition.
4. Demolish and remove existing rooftop heat pumps.
5. Relocate existing supply diffusers near walls as existing flex duct allow.
6. Remove (1) existing bollard.
7. Install all mechanical refrigerant liquid, and suction lines.
8. Furnish and install new rooftop heat pump units on existing curbs.
9. Furnish and install new ground mount condensing unit on 6" housekeeping pad.
10. Furnish and install all new mechanical equipment per the below referenced plans, including all Mitsubishi multi-zone units, mini-splits, Trane heat pumps, and all associated louvers and vents.
11. Install new bollard.
12. Existing wall HVAC units to remain.
13. Existing roof top unit curbs to remain. JOC to install F&I curb adaptors. No cab roof repairs have been included.

**EXHIBIT B  
FEE SCHEDULE**

<b>HEATING, VENTILATION &amp; AIR CONDITIONING SYSTEMS</b>				
HVAC System Upgrades	1	LS		\$ 109,826.00
Prefinished Metal Gutter	1	EA		\$ 4,150.00
100' Boom Lift Rental	1	MONTH		\$ 11,400.00
<b>TOTAL</b>				<b>\$ 125,376.00</b>
<b>ELECTRICAL SYSTEMS</b>				
Electrical Upgrades To Air Traffic Ctrl Tower	1	LS		\$ 23,147.00
<b>TOTAL</b>				<b>\$ 23,147.00</b>
<b>GENERAL REQUIREMENTS</b>				
Project Manager	0.75	WK	\$ 2,500.00	\$ 1,875.00
Project Superintendent	3.50	WK	\$ 2,250.00	\$ 7,875.00
Computer Service	0.75	WK	\$ 25.00	\$ 18.75
Mobile Phone Usage	0.75	MONTHS	\$ 125.00	\$ 93.75
Trash Disposal	1	TRIPS	\$ 325.00	\$ 325.00
Project Pickup Truck	0.75	MONTHS	\$ 1,325.00	\$ 993.75
<b>TOTAL</b>				<b>\$ 11,181.25</b>
Heating, Ventilation & Air Conditioning Systems				\$ 125,376.00
Electrical Systems				\$ 23,147.00
General Requirements				\$ 11,181.25
Owners Allowance				\$ 21,582.00
<b>SUBTOTAL</b>				<b>\$ 181,286.25</b>
Coefficient Calculation				\$ 34,531.00
<b>TOTAL PROJECT COST</b>				<b>\$ 215,817.25</b>

**EXHIBIT C  
CONTRACTOR'S AFFIDAVIT REGARDING SETTLEMENT OF CLAIMS**

\_\_\_\_\_, Arizona

Date \_\_\_\_\_

**Project Name: AIR TRAFFIC CONTROL TOWER HVAC IMPROVEMENTS**  
**Project No.: AI1608.401**

To the City of Chandler, Arizona

Gentlemen:

This is to certify that all lawful claims for materials, rental of equipment and labor used in connection with the construction of the above project, whether by subcontractor or claimant in person, have been duly discharged.

The undersigned, for the consideration of \$ \_\_\_\_\_, as set out in the final pay estimate, as full and complete payment under the terms of the contract, hereby waives and relinquishes any and all further claims or right of lien under, in connection with, or as a result of the above described project. The undersigned further agrees to indemnify and save harmless the City of Chandler against any and all liens, claims or liens, suits, actions, damages, charges and expenses whatsoever, which said City may suffer arising out of the failure of the undersigned to pay for all labor performances and materials furnished for the performance of said installation.

Signed and dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

\_\_\_\_\_  
CONTRACTOR

By \_\_\_\_\_

STATE OF ARIZONA        )  
                                  ) SS  
COUNTY OF MARICOPA    )

The foregoing instrument was subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My Commission Expire

**EXHIBIT D  
CERTIFICATE OF COMPLETION**

**Project: AIR TRAFFIC CONTROL TOWER HVAC IMPROVEMENTS**  
**Project No.: AI1608.401**

(TO BE COMPLETED BY CONTRACTOR)

I HEREBY CERTIFY THAT ALL GOODS AND/OR SERVICES REQUIRED BY CITY OF CHANDLER PROJECT NO. AI1608.401 HAVE BEEN DELIVERED IN ACCORDANCE WITH THE CONTRACT DOCUMENTS AND BID SPECIFICATIONS AND ALL ACTIVITIES REQUIRED BY THE CONTRACTOR UNDER THE CONTRACT HAVE BEEN COMPLETED AS OF

\_\_\_\_\_.  
(Date)

FIRM NAME: \_\_\_\_\_

PRINCIPAL: \_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

DATE: \_\_\_\_\_

CERTIFIED BY ENGINEER/CONSULTANT (IF APPLICABLE):

\_\_\_\_\_  
(Signature)

DATE: \_\_\_\_\_

\_\_\_\_\_  
(Firm Name)

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**PROJECT ACCEPTED BY USER DEPARTMENT**

\_\_\_\_\_  
(Signature)

DATE: \_\_\_\_\_

\_\_\_\_\_  
(Dept./Div.)

\_\_\_\_\_ Date of Final Walk-Through

\_\_\_\_\_ Date As-Built Received

\_\_\_\_\_ City As-Built Number

LOCATION MAP

**PORT TRAFFIC CONTROL TOWER  
HVAC IMPROVEMENT  
PROJECT NO. A11608.401**



MEMO NO. CP17-098

 PROJECT SITE

