



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CP17-102**

1. Agenda Item Number:

27

2. Council Meeting Date:
November 10, 2016

TO: MAYOR & COUNCIL

3. Date Prepared: October 18, 2016

THROUGH: CITY MANAGER

4. Requesting Department:
Transportation & Development

5. SUBJECT: Amendment No. 1 to Job Order Contract No. JOC1601.401 with DNG Construction, LLC, for major and minor construction, renovations, repairs, additions, demolition, re-construction and alteration

6. RECOMMENDATION: Staff recommends City Council approve Amendment No. 1 to Job Order Contract No. JOC1601.401 with DNG Construction, LLC, increasing the annual limit for major and minor construction, renovations, repairs, additions, demolition, re-construction and alteration by \$500,000, for a revised annual limit not to exceed \$1,250,000.

7. BACKGROUND/DISCUSSION: On March 17, 2016, City Council approved a contract with DNG Construction, LLC, for major and minor construction, renovations, repairs, additions, demolition, re-construction and alteration.

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

A project agreement with DNG Construction, LLC, for Airport Traffic Control Tower HVAC Improvements under this Annual Contract No. JOC1601.401, in the amount of \$215,817, is going forward this Council meeting. The proposed amendment is necessary to increase the contract to an amount not to exceed \$1,250,000 during this annual year's term to complete the Airport Traffic Control Tower HVAC Improvement and to provide the ability for DNG Construction, LLC, to work on other Capital Improvement Projects to the end of the JOC contract term of April 3, 2017.

8. EVALUATION: The Job Order Contractor was selected in accordance with established City policies and procedures.

Within the current contract term, DNG Construction, LLC, has been awarded project agreements, for a combined total of \$492,566 and has \$375,817 pending work, including the Airport Traffic Control Tower HVAC Improvement.

9. FINANCIAL IMPLICATIONS: Staff anticipates additional work up to \$500,000 to be spent on this Job Order Contract this year. The owner/user department shall provide funding for each individual project agreement requiring Job Order Contracting services.

10. PROPOSED MOTION: Move City Council approve Amendment No. 1 to Job Order Contract No. JOC1601.401 with DNG Construction, LLC, increasing the annual limit for major and minor construction, renovations, repairs, additions, demolition, re-construction and alteration by \$500,000, for a revised annual limit not to exceed \$1,250,000.

ATTACHMENTS: Amendment No.1

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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



Marsha Reed



Chandler Arizona

AMENDMENT NUMBER 1

Contract Name: Job Order Contract Construction Services, Major Renovations, Repairs, Demolition and Re-Construction

Contract Number: JOC1601.401

This Amendment No. 1 to that certain Contract between the City Of Chandler (CITY) and DNG Construction, LLC a limited liability company, licensed in the state of Arizona dated April 4, 2016 for Construction Services, Major Renovations, Repairs, Demolition and Re-Construction is entered into this ____ day of _____, 2016.

WHEREAS the parties have determined that it is necessary and desirable for JOC to perform additional services for CITY;

NOW THEREFORE, the parties agree as follows:

1. Section 3, of the above referenced Contract, is hereby; amended by increasing the total contract price by an amount not to exceed the sum of Five Hundred Thousand Dollars, (\$500,000) for a total Contract Price not to exceed the sum of One Million Two Hundred Fifty Thousand Dollars (\$1,250,000) of all payable in accordance with Exhibit B, attached hereto and incorporated herein by reference.
2. All other terms and conditions of the above referenced Contract shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this ____ day of _____, 2016.

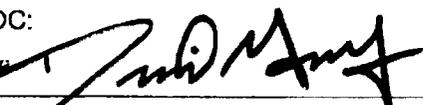
CITY OF CHANDLER:

By: _____

MAYOR

Date

JOC:

By: 

Title: President

APPROVED AS TO FORM:

City Attorney By: 

ATTEST: _____

City Clerk

ATTEST: (If corporation)

Secretary

WITNESS: (If Individual or Partnership)

SEAL

