



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA07-207**

1. Agenda Item Number:
24

2. Council Meeting Date:
April 12, 2007

TO: MAYOR & COUNCIL

3. Date Prepared: March 5, 2007

THROUGH: CITY MANAGER

4. Requesting Department: Community Services

5. SUBJECT: Award a project agreement to Valley Rain Construction Corporation for pre-construction services for Canal Park, Project No. PR0706-201, in an amount not to exceed \$173,432, approve an increase in the annual Job Order Contract JOC05-06 with Valley Rain Construction Corporation from \$3,000,000 to \$4,000,000, and approve a one-year extension to the annual Job Order Contract JOC05-06 to extend the contract thru June 14, 2008.

6. RECOMMENDATION: Staff recommends that Council award a project agreement to Valley Rain Construction Corporation for pre-construction services for Canal Park, Project No. PR0706-201, in an amount not to exceed \$173,432, approve an increase in the annual Job Order Contract JOC05-06 with Valley Rain Construction Corporation from \$3,000,000 to \$4,000,000, and approve a one-year extension to the annual Job Order Contract JOC05-06 to extend the contract thru June 14, 2008.

7. BACKGROUND/DISCUSSION: The City's system of neighborhood parks is intended to serve Chandler's residential areas with a variety of passive and active recreational facilities. Funding is included in fiscal year 2006-07 for the design and fiscal year 2007-08 for the development of the Canal Park site. This park site is 9.34 acres in size and is located in the square mile bordered by Ocotillo, McQueen, Chandler Heights Roads and Arizona Avenue. In addition to the recently completed Pinelake Park, this park will serve the neighborhood park needs for the square mile. Typical amenities included in neighborhood parks are lighted paths, playgrounds, sand volleyball courts, basketball courts, ramadas, open space and landscaping. During the design process for this park, staff will facilitate public meetings to receive input on the design of the park.

8. EVALUATION: On May 25, 2006, Council approved the award of Job Order Contract No. JOC05-06 to Valley Rain Construction Corporation for general contracting construction services to City facilities. To date, \$2,849,139 has been awarded in project agreements in the first year of this contract. The City has the option to extend the annual agreement for four additional terms of one year each. Construction of Canal Park is planned to commence in Spring of 2008. The proposed costs for design and pre-construction services for this project have been compared to similar City projects.

9. FINANCIAL IMPLICATIONS:

Cost:	\$173,432
Savings:	N/A
Long Term Costs:	N/A

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
422.4580.0000.6611.7PR399	Neighborhood Park SDF	Canal Park Site	FY 06/07	\$173,432

10. PROPOSED MOTION: Move that Council award a project agreement to Valley Rain Construction Corporation for pre-construction services for Canal Park, Project No. PR0706-201, in an amount not to exceed \$173,432 and approve an increase in the annual Job Order Contract JOC05-06 with Valley Rain Construction Corporation from \$3,000,000 to \$4,000,000, and approve a one-year extension to the annual Job Order Contract JOC05-06 to extend the contract thru June 14, 2008, and authorize the Mayor to sign the contract documents.

ATTACHMENTS: Location Map

APPROVALS

11. Requesting Department



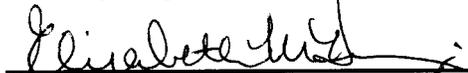
David E. McDowell, Assistant Community Services Director

13. Department Head



Mark M. Eynatten, Community Services Director

12. City Engineer



Elizabeth M. Huning, Assistant Public Works Director/City Engineer

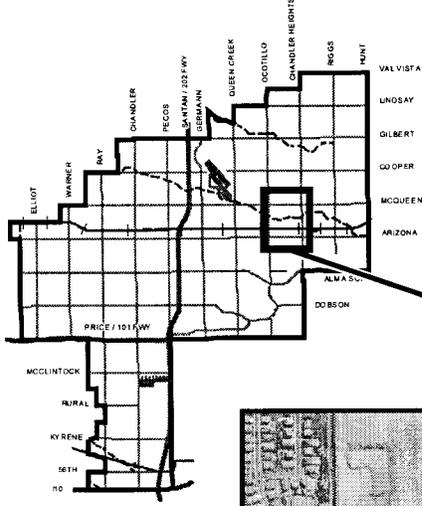
14. City Manager



W. Mark Pentz



CANAL PARK PROJECT NO. PR0706-201



MEMO NO. CA07-207



**PROJECT AGREEMENT
PURSUANT TO JOB ORDER CONTRACT NO. JOC 05-06**

**AGREEMENT NO: PR0706-201
PROJECT NAME (or LOCATION): Canal Park
DEPT.: Community Services**

This AGREEMENT is made this _____ day of _____ 2007, by and between the City of Chandler, a municipal corporation (hereinafter referred to as "CITY") and Valley Rain Construction Corporation, incorporated in the State of Arizona, (hereinafter referred to as "JOC") and is a Job Order entered into pursuant to JOB ORDER CONTRACT NO. JOC 05-06.

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 Canal Park, PR0706-201. The scope of work consists of providing design and pre-construction services for Canal Park including: complete design and construction documents, scheduling management, constructability reviews, value engineering, conceptual estimating, budget management, and cost estimating. The Canal Park-site is 9.34 acres in size identified as APN 303-46-578 in the square mile bounded by Arizona Avenue, Ocotillo, McQueen, and Chandler Heights Roads within the City of Chandler 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.

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 One Hundred Seventy Three Thousand Four Hundred Thirty Two Dollars (\$173,432) determined and payable as set forth in Contract JOC 05-06 and Exhibit B attached hereto and made a part hereof by reference.

ARTICLE 3. CONTRACT TIME & SCHEDULE

The Contract Time is Three Hundred days and JOC agrees to complete all Design within Three Hundred (300) 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. JOC 05-06 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 Agreement on the day and year first written above.

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

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this _____ day of _____ 2007.
CITY OF CHANDLER FOR THE JOC:

MAYOR DATE:

By: _____
Title: _____

ADDRESS FOR NOTICE
City of Chandler
P.O. Box 4008, Mail Stop 407
Chandler, AZ 85244-4008
480-782-3307

ADDRESS FOR NOTICE
Mr. Daniel K. Kuwitzky
Valley Rain Construction Corp.
1814 E. Curry Rd.
Tempe, AZ 85281

APPROVED AS TO FORM:

Phone: 894-2835
Fax: 866-1450

City Attorney
By: *[Signature]*
ATTEST:

City Clerk



Chandler Arizona

AMENDMENT NUMBER 1

Project Name: **Park Improvements Job Order Contract**
Project No.: **JOC 05-06**

This Amendment No. 1 to that certain Agreement Between the City of Chandler and Valley Rain Construction Corporation, an Arizona Corporation, for general contracting services dated, June 15, 2006 between the City of Chandler (CITY) and Valley Rain Construction Corporation is entered into this day of _____, 2007.

WHEREAS the parties have determined that it is necessary and desirable for Valley Rain Construction Corporation to perform additional services for CITY;

NOW THEREFORE, the parties agree as follows:

1. Article 3 – Description of Work: Contract will be increased One Million Dollars (\$1,000,000) for an amount not to exceed Four Million Dollars (\$4,000,000) in any one-year contract term.
2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this _____ day of _____, 2007.

CITY OF CHANDLER:

JOC Contractor

By: _____

By: _____

MAYOR Date

Title:

APPROVED AS TO FORM:

ATTEST: (If corporation)

City Attorney *JSA*

Secretary

ATTEST:

WITNESS: (If Individual or Partnership)

City Clerk

SEAL

ACKNOWLEDGE BY:

User Department Signature: Date:

Title

Recommended: CITY ENGINEER Date

Recommended: DEPARTMENT DIRECTOR Date:



Chandler Arizona

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Project No.: **JOC 05-06**

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1. Article 3 – Description of Work: Contract will be increased One Million Dollars (\$1,000,000) for an amount not to exceed Four Million Dollars (\$4,000,000) in any one-year contract term.
2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this 12th day of March, 2007.

CITY OF CHANDLER:
By: _____
MAYOR Date

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

JOC Contractor
By: _____
Title: V.R. Construction

ATTEST: (If corporation)
J. Rudy Steepe
-Secretary Controller

WITNESS: (If Individual or Partnership)

SEAL

ACKNOWLEDGE BY:

User Department Signature: _____ Date: _____

Recommended: CITY ENGINEER Date: _____

_____ Title

Recommended: DEPARTMENT DIRECTOR Date: _____

Amendment No. 1 cont.

Project No. JOC 05-06

THESE CHANGES RESULT IN THE FOLLOWING ADJUSTMENTS OF CONTRACT PRICE AND TIME

ORIGINAL CONTRACT AMOUNT	\$ 3,000,000
CURRENT CONTRACT PRICE PRIOR TO THIS AMENDMENT (Including previous amendments)	\$ 3,000,000
NET INCREASE / DECREASE (Resulting from this amendment)	\$ 1,000,000
REVISED CONTRACT PRICE (Including this amendment)	\$ 4,000,000
AMENDMENT PERCENTAGE (Of original contract price)	<u>33.33</u> %
CONTRACT TIME PRIOR TO THIS AMENDMENT (Including this amendment)	365 (Days or Date)
NET INCREASE/DECREASE (Resulting from this amendment)	0 (Days or Date)
REVISED CONTRACT TIME (Including this amendment)	365 (Days or Date)
THIS AMENDMENT No. _____	Does not Require Council Approval: Less than \$30,000* _____
	More than \$30,000 but less than 10% of Contract* _____
THIS AMENDMENT No. <u>1</u>	Requires Council Approval Greater than \$30,000* <u>XX</u>
	Greater than 10% of Contract * _____
*Including City Manager approved Amendments	
ORIGINAL CONTRACT COUNCIL DATE: <u>May 25, 2006</u> ITEM NO.: <u>50</u>, if applicable	
COUNCIL APPROVAL: _____ ITEM NO: _____, if applicable	

CC: City Clerk User Dept Project Mgr Consultant Project Anaylst File