



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA  
Memo No. CA08-278**

**1. Agenda Item Number:**  
**35**  
**2. Council Meeting Date:**  
June 12, 2008

**TO: MAYOR & COUNCIL**  
**THROUGH: CITY MANAGER**

**3. Date Prepared:** May 15, 2008  
**4. Requesting Department:** Community Services/  
Police / Public Works / Municipal Utilities

**5. SUBJECT:** Approve Change Order No. 1 for Construction Manager at Risk contract to M.A. Mortenson Company for the Chandler Heights Community Facilities Phase III – Offsite Improvements, Project No. WW0401-403, in an amount of \$245,614.59.

**6. RECOMMENDATION:** Staff recommends that Council approve Change Order No. 1 for Construction Manager at Risk contract to M.A. Mortenson Company for the Chandler Heights Community Facilities Phase III – Offsite Improvements, Project No. WW0401-403, in an amount of \$245,614.59.

**7. BACKGROUND/DISCUSSION:** The Chandler Heights Community Facilities project is a 113-acre site located on the northeast corner of Lindsay and Chandler Heights Roads. This project consists of three construction phases. Phase I consisted of onsite earthwork/mass grading, wet utilities (which included reclaim water, potable water, sanitary sewer, and fire lines), and site survey. The work start in September 2006 and then Phase II started in March 2007. Phase II included construction of four buildings, park landscaping and equipment, paving of pathways, driveways and parking areas, installation of sidewalks and concrete paths, seat walls, screen walls, urban fishing lake maintenance system and all plants and ground cover in the landscape design. A grand opening and dedication of the new Chandler Heights Community Facilities was held on Saturday, April 19, 2008. The new facilities include the following: 78 acres for groundwater recharge and wetlands, 4 acres for the Chandler Heights Police Substation with secured parking, and 31 acres for the Veterans Oasis Park a outdoor environmental education park facility. Phase III - Offsite Improvements includes adjacent half road improvements of Chandler Heights Road and Lindsay Road and consists of surveying, earthwork/paving/concrete, traffic control, site utilities, relocation and piping of Roosevelt Water Conservation District (RWCD) canal, and electrical work.

At the time that Phase III GMP was awarded to M.A. Mortenson in December 2007, it was anticipated that work would be completed by February 2008. Thus, the CITY was able to carry over the cost of General Conditions from Phase II to Phase III. However, due to delays caused by the RWCD, M.A. Mortenson was not able to start construction until after March 11, 2008. This Change Order No. 1 is for additional General Condition Costs associated with the delay and additional work associated with unforeseen conditions.

**8. EVALUATION:** M.A. Mortenson Company was selected based on qualifications, current workload, and experience in accordance with City regulations and established procedures. The selection was approved and Council awarded a Phase I contract on August 31, 2006. Council awarded a Phase II contract for construction on February 22, 2007 and Phase II for offsite improvements on December 13, 2007.

**9. FINANCIAL IMPLICATIONS:**

Original Contract Cost:	\$1,951,206.00	% of Original Contract
Change Order No. 1	\$245,614.59	12.6%
<b>Total Revised Contract</b>	<b>\$2,196,820.59</b>	

**Fund Source:**

<u>Acct. No.:</u> 415.3310.0000.6517.8ST303	<u>Fund Name:</u> Public Works	<u>Program Name:</u> Street Construction/Variou Improvements	<u>CIP Funded:</u> FY07/08	<u>Amount:</u> \$245,614.59
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**10. PROPOSED MOTION:** Move that Council approve Change Order No. 1 for Construction Manager at Risk contract to M.A. Mortenson Company for the Chandler Heights Community Facilities Phase III – Offsite Improvements, Project No. WW0401-403, in an amount of \$245,614.59.

**ATTACHMENTS:** Location Map

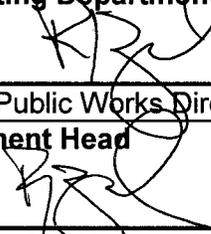
APPROVALS

11. Requesting Department



Mark M. Eynatten, Community Services Director

13. Requesting Department



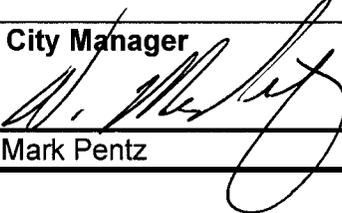
R.J. Zeder, Public Works Director

15. Department Head



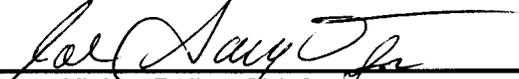
R.J. Zeder, Public Works Director

17. City Manager



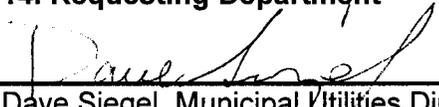
W. Mark Pentz

12. Requesting Department



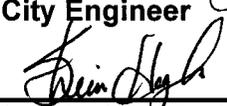
Sherry Kiyler, Police Chief

14. Requesting Department



Dave Siegel, Municipal Utilities Director

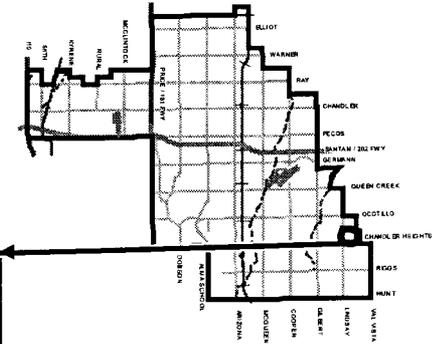
16. City Engineer



Sheina Hughes, Assistant Public Works Director/  
City Engineer



# CHANDLER HEIGHTS COMMUNITY FACILITIES PHASE III - OFFSITE IMPROVEMENTS PROJECT NO. WW0401-403



MEMO NO. CA08-278

— OFFSITE IMPROVEMENTS



**CITY OF CHANDLER CHANGE ORDER**

**CHANGE ORDER NUMBER** 1

**DATE** 6-12-08

**This Change Order is not valid until signed by both the City and the Contractor. Signature of the Contractor indicates agreement herewith, including any adjustments in the Contract Price or Contract Time.**

PROJECT NAME	<u>Chandler Heights Community Facilities</u>	CONTRACTOR	<u>M.A. Mortenson</u>
PROJECT NO.	<u>WW0401-403</u>	COST ACCT #	
USER DEPT	<u>Public Works</u>	NTP DATE	<u>1/31/08</u>

**TO: M.A. Mortenson Company**

(CONTRACTOR)

**YOU ARE DIRECTED TO MAKE THE FOLLOWING CHANGES TO THIS CONTRACT:**

(Describe changes in detail and/or reference attached cost breakdown sheet.)

Additional General Condition Costs and costs for unforeseen work including replacement of additional soft spots on Lindsay Road, Demobilization and Remobilization costs, additional Air Release Valve relocations, lowering of SRP conduit on east side of Lindsay, and relocation of Qwest line. Fee schedule Exhibit A attached hereto and incorporated herein by reference.

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

ORIGINAL CONTRACT AMOUNT:	<u>\$1,951,206.00</u>
CURRENT CONTRACT PRICE PRIOR TO CHANGE ORDER (Including previous change orders)	<u>\$1,951,206.00</u>
NET CHANGE RESULTING FROM THIS CHANGE ORDER:	<u>\$245,614.59</u>
REVISED CONTRACT PRICE INCLUDING THIS CHANGE ORDER:	<u>\$2,196,820.59</u>
CHANGE ORDER IS % OF ORIGINAL CONTRACT AMOUNT:	<u>12.6%</u>

CONTRACT TIME OR COMPLETION DATE PRIOR TO THIS CHANGE ORDER (Including previous change orders):	<u>150</u>	<u>6/29/08</u>
	DAYS	DATE

NET CHANGE RESULTING FROM THIS CHANGE ORDER: 90

DAYS

REVISED CONTRACT TIME AND COMPLETION DATE: 240 9/27/08

DAYS DATE

**THE ABOVE IS AGREED TO BY:**

M. A. Mortenson Company  
CONTRACTOR

*Dal Padua*  
Signature:

5/29/08  
Date

**CITY OF CHANDLER (Date & Name of Owner Dept. verbal approval):** Bob Fortier

For Change Orders of less than \$50,000 and 10% of contract price:

Title:	Signature:	Date:
<u>Director or Designee</u>		

**Or (but not both)**

For Change Orders of \$50,000 or more, or 10% or more of contract price:

MAYOR	Date:
Approved by Council on: _____	_____
Date	Attest: City Clerk
_____	_____

Approved at to Form: \_\_\_\_\_  
City Attorney by: *[Signature]*

Exhibit A  
Fee Schedule

Description	Quantity Unit	Unit Rate	Subtotal
Sr. Project Manager	344 Hr	\$113.24	\$38,954.56
Superintendent	860 Hr	\$66.63	\$57,301.80
Pickup	5 Months	\$892.50	\$4,462.50
Safety Engineer	103.2 Hr	\$58.19	\$6,005.21
Office Trailer	5 Months	\$510.00	\$2,550.00
Electrical/Generator	5 Months	\$1,653.60	\$8,268.00
Equip Operating	5 Months	\$1,500.00	\$7,500.00
Phones/Fax/Copy Machines	5 Months	\$500.00	\$2,500.00
Water Truck	5 Months	\$2,890.00	\$14,450.00
Temporary Fence	1 LS	\$6,000.00	\$6,000.00
Sanitation (2 units)	4 Months	\$180.00	\$720.00
Rubbish Removal	6 Each	\$500.00	\$3,000.00
		<b>Subtotal</b>	<b>\$151,712.07</b>
Additional Soft Spot Costs Lindsay			\$4,605.00
Demob/Remob RWCD			\$9,675.00
Additional Air Release Valve			\$1,447.00
Lowering of SRP Conduit			\$6,627.00
Contingency Soft-Spots Chandler Hgts			\$50,000.00
		<b>Subtotal</b>	<b>\$72,354.00</b>
		<b>Subtotal</b>	<b>\$224,066.07</b>
General Liability			\$1,837.34
Builders Risk Insurance			\$448.13
Payment and Performance Bond			\$1,546.06
Mortenson Overhead 3.5%			\$2,932.54
Mortenson Fee 4%			\$3,351.48
AZ Privilege Use Tax			\$11,432.97
		<b>Total</b>	<b>\$245,614.59</b>