



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. PWCM08-011**

1. Agenda Item Number:

43

2. Council Meeting Date:
June 26, 2008

TO: MAYOR & COUNCIL

3. Date Prepared: June 9, 2008

THROUGH: CITY MANAGER

4. Requesting Department: Public Works

5. SUBJECT: Accept staff-approved Change Order No. 1 and approve Change Order No. 2 to the contract with Pierson Construction Corporation for the Dobson and Warner Roads Improvements, Project No. ST0401-401, in an amount not to exceed \$564,643.73 and a revised contract price of \$8,077,427.63

6. RECOMMENDATION: Staff recommends that Council accept Change Order No. 1 and approve Change Order No. 2 to the contract with Pierson Construction Corporation for the Dobson and Warner Roads Improvements, Project No. ST0401-401, in an amount not to exceed \$564,643.73 and a revised contract price of \$8,077,427.63

7. BACKGROUND/DISCUSSION: Change Order No. 1 is a staff-approved no-cost change order that amended the contract to include certain documents that were referenced by name, but not physically included in the original bid documents. An incorrect Davis-Bacon wage decision was used and a hard copy of federal contract provisions were not included. Change Order No. 2 amends the contract to include the installation of electrical conduit needed for the conversion of existing overhead power to underground. The cost of this work was not known at the time of bidding. This work is within the original scope of the project, however, it was not included in the original bid documents submitted by the contractor(s). The contractor has estimated this work will take approximately seventy-five days to complete. The current schedule has this additional work being completed concurrently with the other improvements, however the completion of this work relies on the completion of work being performed by private utilities not under the control of the contractor or the City. Included in Change Order No. 2 is money which will allow sidewalk ramps to be changed out if necessary.

643.738. EVALUATION: City staff verified the costs submitted by Pierson Construction Corporation and found them to be consistent with recent similar work.

9. FINANCIAL IMPLICATIONS:

Original Contract Price: \$7,512,783.90
 Change Order No. 2: \$ 564,643.73 7.5% Original Contract - User Requested
 Revised Contract Price: \$8,077,427.63

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>Funded:</u>	<u>Amount:</u>
411.3310.0000.6517.7ST313	GO Bonds	Dobson/Warner Rd. Inters.	FY 07/08	\$ 20,000.00
411.3310.0000.6517.8ST313	GO Bonds	Dobson/Warner Rd. Inters.	FY 08/09	\$544,643.73

10. PROPOSED MOTION: Move that Council accept Change Order No. 1 and approve Change Order No. 2 to the contract with Pierson Construction Corporation for the Dobson and Warner Roads Improvements, Project No. ST0401-401, in an amount not to exceed \$564,643.73 and a revised contract price of \$8,077,427.63

ATTACHMENTS: Location Map

APPROVALS

11. Requesting Department



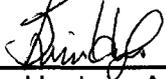
Daniel W. Cook, Public Works Deputy Director

13. Department Head



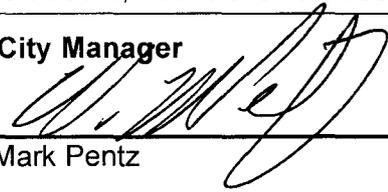
Robert Zeder, Public Works Director

12. City Engineer



Sheina Hughes, Assistant Public Works Director/
City Engineer

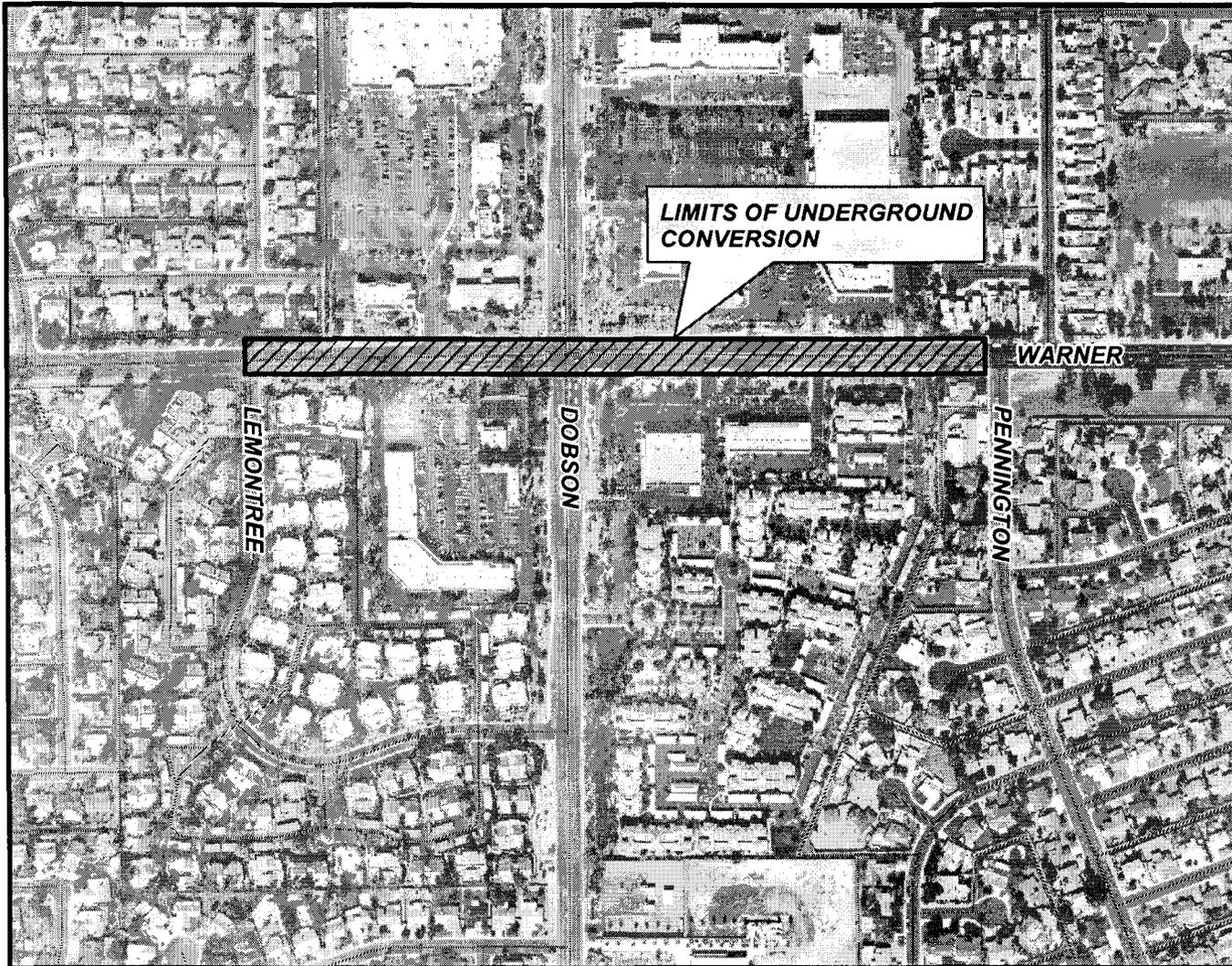
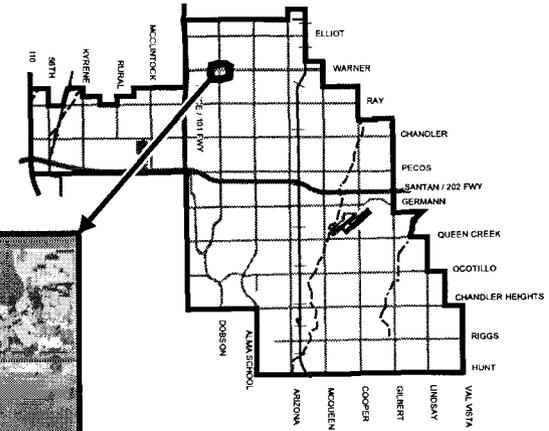
14. City Manager



W. Mark Pentz



DOBSON RD AND WARNER RD INTERSECTION IMPROVEMENTS 12kV CONVERSION PROJECT NO. ST0401-401



LIMITS OF UNDERGROUND
CONVERSION

MEMO NO. PWCM08-011

 12kV CONVERSION



CITY OF CHANDLER CHANGE ORDER
CHANGE ORDER NUMBER 2
DATE 6/26/08

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 Dobson/Warner Intersection CONTRACTOR Pierson Construction, Corp.
 PROJECT NO. ST0401-401 COST ACCT # _____
 USER DEPT Public Works, Transportation NTP DATE 6/9/2008

TO: Pierson Construction, Corp.
 (CONTRACTOR)

YOU ARE DIRECTED TO MAKE THE FOLLOWING CHANGES TO THIS CONTRACT:
 (Describe changes in detail and/or reference attached cost breakdown sheet.)

Install the necessary electrical conduits as indicated on the Salt River Project plans for the underground conversion of the 12kv overhead power lines. This work is within the original scope however, SRP plans were not available at the time of bidding.

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

ORIGINAL CONTRACT AMOUNT:	<u>\$7,512,783.90</u>
CURRENT CONTRACT PRICE PRIOR TO CHANGE ORDER: (Including previous change orders)	<u>\$7,512,783.90</u>
NET CHANGE RESULTING FROM THIS CHANGE ORDER:	<u>\$564,643.73</u>
REVISED CONTRACT PRICE INCLUDING THIS CHANGE ORDER:	<u>\$8,077,427.63</u>
CHANGE ORDER IS % OF ORIGINAL CONTRACT AMOUNT:	<u>7.52%</u>

CONTRACT TIME OR COMPLETION DATE PRIOR TO THIS
 CHANGE ORDER (Including previous change orders):

_____	DAYS	DATE
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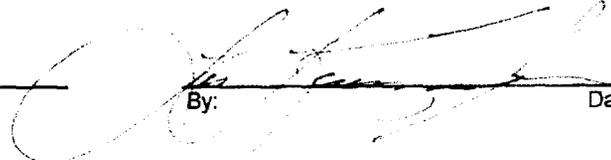
NET CHANGE RESULTING FROM THIS CHANGE ORDER:

_____	DAYS
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REVISED CONTRACT TIME AND COMPLETION DATE:

_____	DAYS	DATE
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THE ABOVE IS AGREED TO BY:

Pierson Construction, Corp.
CONTRACTOR  6/17/08
 By: _____ Date

CITY OF CHANDLER (Date & Name of Owner Dept. verbal approval): Paul Young - 4/28/08

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

Title: _____	Signature _____
Director or Designee	By: _____ Date

Or (but not both)

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

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

Approved as to Form:
 City Attorney by: 