



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA09-114**

1. Agenda Item Number:
53
2. Council Meeting Date:
October 30, 2008

TO: MAYOR & COUNCIL

3. Date Prepared: October 15, 2007

THROUGH: CITY MANAGER

4. Requesting Department: Public Works

5. SUBJECT: Approve a one (1) year extension to the existing annual inspection contract, EN0602-101, with Consultant Engineering, Inc., with an expenditure limit of \$900,000.

6. RECOMMENDATION: Staff recommends that Council approve a one (1) year extension to the existing annual inspection contract, EN0602-101, with Consultant Engineering, Inc., with an expenditure limit of \$900,000.

7. BACKGROUND/DISCUSSION: The City's construction management staff oversees the construction of the Capital Improvement Program (CIP), supplemented with outside firms as staffing needs require. These consultants allow the City to handle temporary periods of higher workload without hiring additional permanent staff. There are currently two firms, Consultant Engineering, Inc. (CEI) and Vanir, under annual contract to provide inspection, testing, and oversight services.

In the last year, Consultant Engineering, Inc. (CEI) reached their contract limit with \$1.5 million of supplemental inspection services provided on various City capital projects and private development. Vanir provided \$1.1 million for construction management of the Queen Creek Road Improvements. In the current budget climate, it is expected that City staff will self-perform many construction oversight responsibilities as a cost-saving measure. However, retaining the services of an on-call construction management firm allows staff the flexibility to procure special inspection services, supplementing staff expertise on complex projects. Based on the anticipated reduction in tasks performed by the third-party firms, the contract with Vanir will not be renewed, and the proposed annual spending limit on CEI's contract has been reduced from last year's \$1.5 million to \$900,000 this year.

Individual project agreements will be prepared for execution and approval for each specific project. Project agreements over \$50,000 will be submitted for Council approval, up to the expenditure limit of \$900,000.

8. EVALUATION: On October 27, 2005, Consultant Engineering, Inc. was selected for a one-year contract with an option to renew for four additional years. This extension is the third option year.

9. FINANCIAL IMPLICATIONS:

Cost:	\$900,000
Savings:	N/A
Long Term Costs:	N/A

The owner/user department shall provide funding for each individual project requiring on-call services.

10. PROPOSED MOTION: Move that Council approve a one (1) year extension to the existing annual inspection contract, EN0602-101, with Consultant Engineering, Inc., with an expenditure limit of \$900,000, and authorize the Mayor to sign the contract documents.

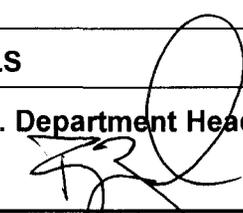
ATTACHMENTS: None

APPROVALS

11. Requesting Department


William Fay, Public Works Engineer

13. Department Head


R.J. Zeder, Public Works Director

12. City Engineer


Sheina Hughes, Assistant Public Works Director/City Engineer

14. City Manager


W. Mark Pentz

NOTICE OF EXERCISE OF OPTION TO EXTEND
ANNUAL CONTRACT FOR CONSTRUCTION INSPECTION AND MANAGEMENT SERVICES
PROJECT NUMBER EN0602-101

The City Council authorized the City of Chandler (hereinafter referred to as "CITY") and **Consultant Engineering, Incorporated** in the state of Arizona (hereinafter referred to as "ANNUAL CONSULTANT") to enter into an Annual Contract for Construction inspection and Management Services (hereinafter referred to as "AGREEMENT") which was approved by the City Council on October 27, 2005 and executed on November 10, 2005.

1. This AGREEMENT authorized CITY the option to extend this AGREEMENT for four one-year terms.
2. CITY hereby gives notice of the exercise of its option to extend the AGREEMENT for one year pursuant to the same terms and conditions as the AGREEMENT.
3. This Notice is hereby incorporated to the AGREEMENT and must be filed with the City Clerk's Office.
4. Section 20, of the above referenced Contract, is hereby; amended by adding additional language Required Compliance With Arizona Procurement Law described in more detail in Exhibit A attached hereto and incorporated herein by reference.
5. The total cost of work issued to the ANNUAL CONSULTANT by the City of Chandler will not exceed Nine Hundred Thousand dollars (\$900,000).
6. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect.

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

This Notice is hereby incorporated to the AGREEMENT and must be filed with the City Clerk's Office

This Notice is hereby signed and approved by CITY and ANNUAL CONSULTANT

CITY OF CHANDLER

MAYOR Date

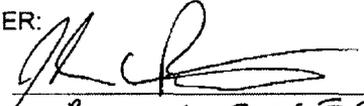
ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney by: *CH for SKM*

ENGINEER:

By: 
Title: President - CEI

ATTEST: If Corporation


Secretary

WITNESS: (If individual or Partnership)

_____ SEAL

EXHIBIT A

REQUIRED COMPLIANCE WITH ARIZONA PROCUREMENT LAW

Pursuant to the provisions of A.R.S. § 41-4401, the Contractor hereby warrants to the City that the Contractor and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty").

A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.

The City retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. The Contractor agrees to assist the City in the conduct of any such inspections.

The City may, at its sole discretion, conduct random verifications of the employment records of the Contractor and any Subcontractors to ensure compliance with Contractors Immigration Warranty. The Contractor agrees to assist the City in performing any such random verifications.

The provisions of this Article must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

In accordance with A.R.S. §35-397, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Iran.

In accordance with A.R.S. §35-397, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Sudan.

EXHIBIT A (cont.)

**Consultant Immigration Warranty
To Be Completed by Consultant Prior to Execution of Contract**

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the consultant and subconsultants with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

By completing and signing this form, the Engineer/Annual Consultant shall attest that it and all subconsultants performing work under the cited State contract meet all conditions contained herein.

Project Number: EN0602-101		
Project Name: Annual Contract For Construction Inspection And Management Services		
Street Name and Number:		
City: Chandler	State: AZ	Zip Code:

I hereby attest that:

1. The Engineer/Annual Consultant complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this contract;
2. All subconsultants performing work under this contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees; and
3. The Engineer/Annual Consultant has identified all consultant and subconsultant employees who perform work under the contract and has verified compliance with Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214.

Signature of Engineer/ Annual Consultant (Employer) or Authorized Designee:



Printed Name: JIM C. PATTERSON

Title: President - CEI

Date (month/day/year): 10/23/08