



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA09-098**

1. Agenda Item Number:
55
2. Council Meeting Date:
October 30, 2008

TO: MAYOR & COUNCIL
THROUGH: CITY MANAGER

3. Date Prepared: September 23, 2008
4. Requesting Department: Public Works

5. SUBJECT: Approve Change Order No. 2 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 \$160,439.

6. RECOMMENDATION: Staff recommends that Council approve Change Order No. 2 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 \$160,439.

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. The new facilities include 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, an 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. This Change Order No. 2 is for removal and replacement of additional asphalt pavement in order to correctly install the crown of the road and for escalation of asphalt costs. This also covers costs caused by delays in construction associated with RWCD's implementation of new processes.

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 III 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	13%
Change Order No. 2	\$160,439.00	8%
Total Revised Contract	\$2,357,259.59	

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
411.3310.0000.6517.9ST303	Streets	GO Bonds	FY08/09	\$160,439

10. PROPOSED MOTION: Move that Council approve Change Order No. 2 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 \$160,439.

ATTACHMENTS: Location Map

APPROVALS

11. Requesting Department

Sheina Hughes, Assistant Public Works Director/ City Engineer

13. City Manager

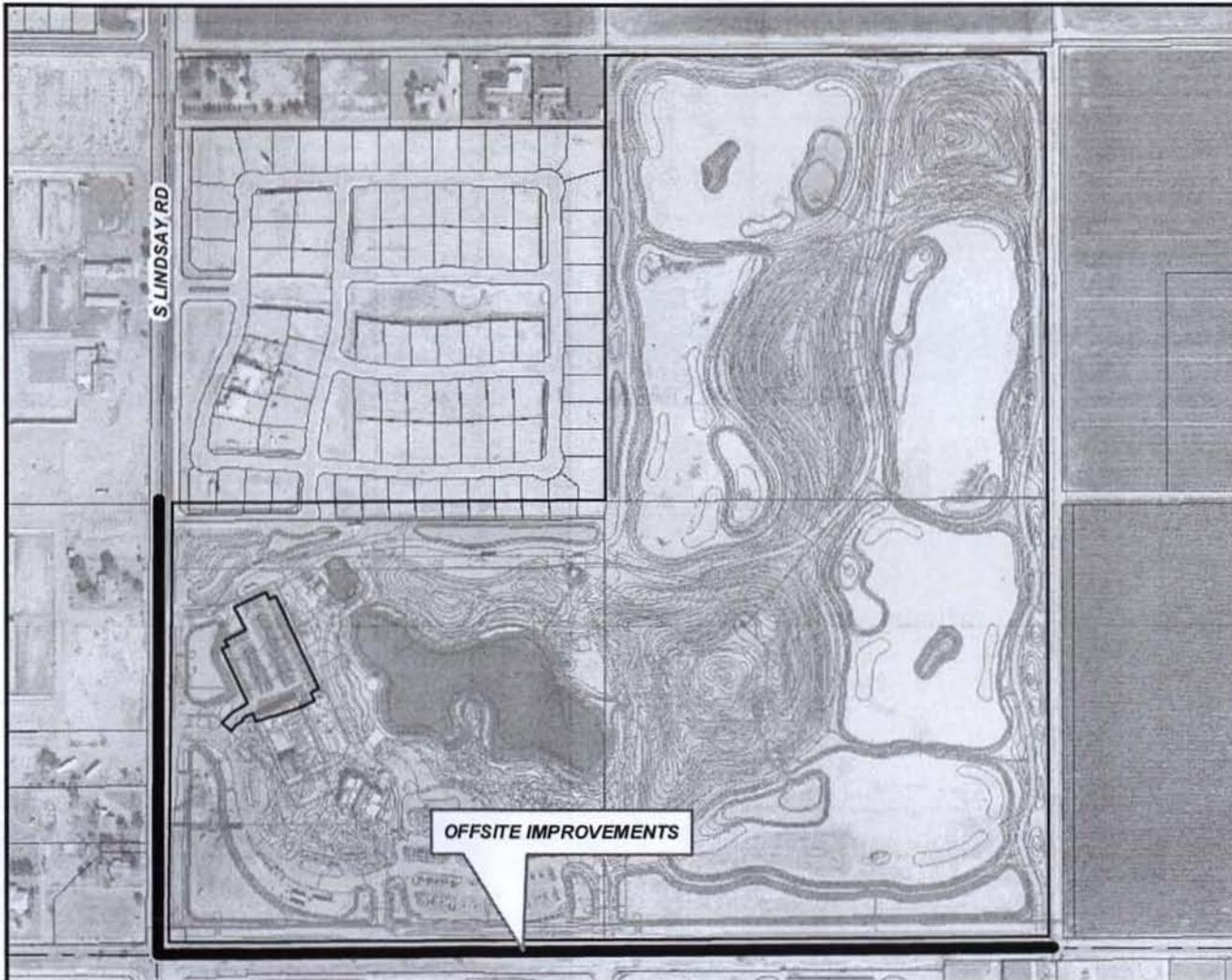
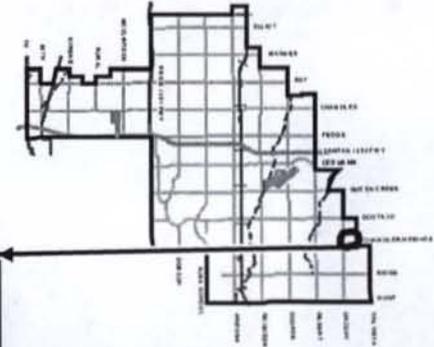
W. Mark Pentz

12. Requesting Department

R.J. Zeder, Public Works Director



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



MEMO NO. CA09-098

— OFFSITE IMPROVEMENTS



CITY OF CHANDLER CHANGE ORDER
CHANGE ORDER NUMBER 2
DATE 09/17/08

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 Company</u>
PROJECT NO.	<u>WW0401-403</u>	COST ACCT #	<u>606.3910.0000.6817.7WW190</u>
USER DEPT	<u>Municipal Utilities</u>	NTP DATE	<u>01/31/08</u>

TO: M.A. Mortenson Company
 (CONTRACTOR)

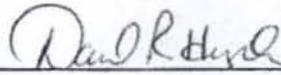
YOU ARE DIRECTED TO MAKE THE FOLLOWING CHANGES TO THIS CONTRACT:
 (Describe changes in detail and/or reference attached cost breakdown sheet Exhibit A.)

Required Compliance with Arizona Procurement Law. All as described in detail in Exhibit B attached hereto and incorporated herein by reference.

ORIGINAL CONTRACT AMOUNT:	<u>\$1,951,206.00</u>
CURRENT CONTRACT PRICE PRIOR TO CHANGE ORDER: (Including previous change orders)	<u>\$2,196,820.59</u>
NET CHANGE RESULTING FROM THIS CHANGE ORDER:	<u>\$ 160,439.00</u>
REVISED CONTRACT PRICE INCLUDING THIS CHANGE ORDER:	<u>\$2,357,259.59</u>
CHANGE ORDER IS % OF ORIGINAL CONTRACT AMOUNT:	<u>8%</u>

CONTRACT TIME OR COMPLETION DATE PRIOR TO THIS CHANGE ORDER (Including previous change orders):	<u>240</u> <u>9/27/08</u> DAYS DATE
NET CHANGE RESULTING FROM THIS CHANGE ORDER:	<u>40</u> DAYS
REVISED CONTRACT TIME AND COMPLETION DATE:	<u>280</u> <u>11/6/08</u> DAYS DATE

THE ABOVE IS AGREED TO BY:

<u>M.A. Mortenson Company</u> CONTRACTOR	 By:	<u>10/15/08</u> Date
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CITY OF CHANDLER (Date & Name of Owner Dept. verbal approval): Robert Fortier 7/14/08

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

Title: _____ Department Director or Designee Or (but not both)	Signature _____ By: _____	Date _____
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For Change Orders of \$50,000 or more, or 10% or more of contract price:

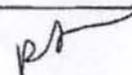
_____ MAYOR Approved by Council on: _____ Date _____	_____ Date: _____
Approved as to form: _____ City Attorney 	_____ Attest: City Clerk _____ Date _____

EXHIBIT B

REQUIRED COMPLIANCE WITH ARIZONA PROCUREMENT LAW

Compliance with A.R.S. § 41-4401. 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 B (CONTINUED)

Contractor Immigration Warranty
To Be Completed by Contractor Prior to Execution of Contract

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the contractor and subcontractors 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.

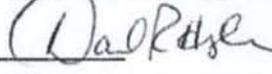
By completing and signing this form the contractor shall attest that it and all subcontractors performing work under the cited State contract meet all conditions contained herein.

Project Number/Division: WW0401-403
Name (as listed in the contract): Chandler Heights Community Facilities
Street Name and Number:
City: Chandler State: AZ Zip Code:

I hereby attest that:

1. The contractor 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 subcontractors 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 contractor has identified all contractor and subcontractor 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 Contractor (Employer) or Authorized Designee:

M.A. Mortenson Company 

Printed Name: DAVID R. HEYOE

Title: SR. PROJECT MANAGER

Date (month/day/year): 10/15/08