



**PURCHASING ITEM
FOR
COUNCIL AGENDA
MEMO NO. CA09-161**

1. Agenda Item Number:
19
2. Council Meeting Date:
March 12, 2009

TO: MAYOR & COUNCIL

3. Date Prepared: January 22, 2009

THROUGH: CITY MANAGER

4. Requesting Department: Public Works

5. SUBJECT: Approve Change Order No. 1 to Construction Manager at Risk contract to Nesbitt Contracting Co., Inc for roadway improvements for Riggs Road (Gilbert Road to Val Vista Drive) – Phase III Guaranteed Maximum Price (GMP), Project No. ST0613-403, in an amount not to exceed \$878,477.89.

6. RECOMMENDATION: Staff recommends that Council approve Change Order No. 1 to Construction Manager at Risk contract to Nesbitt Contracting Co., Inc for roadway improvements for Riggs Road (Gilbert Road to Val Vista Drive) – Phase III Guaranteed Maximum Price (GMP), Project No. ST0613-403, in an amount not to exceed \$878,477.89.

7. BACKGROUND/DISCUSSION: Riggs Road improvements includes widening of Riggs Road from Gilbert Road to Val Vista Drive to six-lanes, including dual left turn lanes, dedicated right turn lanes, bike lanes, new bus stops, and drainage improvements. Improvements will adhere to the City's standard arterial street detail and include raised medians, curb and gutter, sidewalk, driveways, traffic signals, streetlights, water, sanitary sewer mains, and utility relocation/coordination.

This Change Order includes costs to underground SRP facilities, additional paving, and adjustments to grading and drainage beyond the original limits and/or scope of the project. At the time the Riggs Road improvement plans were completed, SRP 12kv plans were not completed and thus were not included in the original GMP. Subsequently, the SRP 12kv undergrounding and relocation plans including joint trenching with Qwest have been finished. Also, the extent of new pavement on the Riggs Road Improvement plans did not adequately identify the removal and replacement of all temporary pavement. Also, during construction it was discovered that portions of the existing pavement within the project limits needed to be improved or replaced to bring that pavement up to City standards for arterial street pavements. This work will include the re-construction of approximately 2,808 square yards of pavement, and the mill and overlay of 11,002 square yards of pavement. Rubberized asphalt will be used along residential frontage where the pavement is being reconstructed or mill and overlaid.

8. EVALUATION: The total cost with construction management and contingency was anticipated to be approximately \$9.6 million. To help minimize costs City staff are self-performing construction management services. Staff has reviewed the proposed costs, the billing rates, and the fee for this contract and determined that the fee is consistent with similar types of projects.

9. FINANCIAL IMPLICATIONS:

Phase I Cost	\$ 527,386.00
Phase II Cost	\$ 1,180,425.11
Phase III Cost	\$ 7,053,256.36
Project Subtotal	\$ 8,761,067.47
Change Order No. 1	\$ 878,477.89 (10% of Project Total)
Revised Project Total	\$ 9,639,545.36

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
217.3310.0000.6517.8ST547	MCDOT Grant	Riggs Road (Gilbert Rd to Val Vista Dr)	FY07/08	\$422,350.52
411.3310.0000.6517.8ST547	GO Bonds	Riggs Road (Gilbert Rd to Val Vista Dr)	FY07/08	\$99,472.00
415.3310.0000.6517.7ST547	Impact Fee	Riggs Road (Gilbert Rd to Val Vista Dr)	FY06/07	\$322,878.53
615.3910.0000.6817.8WW332	Wastewater Operating	Replacement Sewer Mains	FY07/08	\$ 33,776.84

10. PROPOSED MOTION: Move that Council approve Change Order No. 1 to Construction Manager at Risk contract to Nesbitt Contracting Co., Inc for roadway improvements for Riggs Road (Gilbert Road to Val Vista Drive) – Phase III Guaranteed Maximum Price (GMP), Project No. ST0613-403, in an amount not to exceed \$878,477.89.

ATTACHMENTS: Location Map, Change Order

APPROVALS

11. Requesting Department



Daniel W. Cook, Deputy Public Works Director

13. Department Head



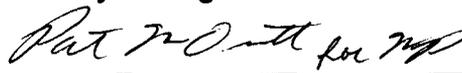
R.J. Zeder, Public Works Director

12. City Engineer



Sheina Hughes, Assistant Public Works Director/City Engineer

14. City Manager



W. Mark Pentz

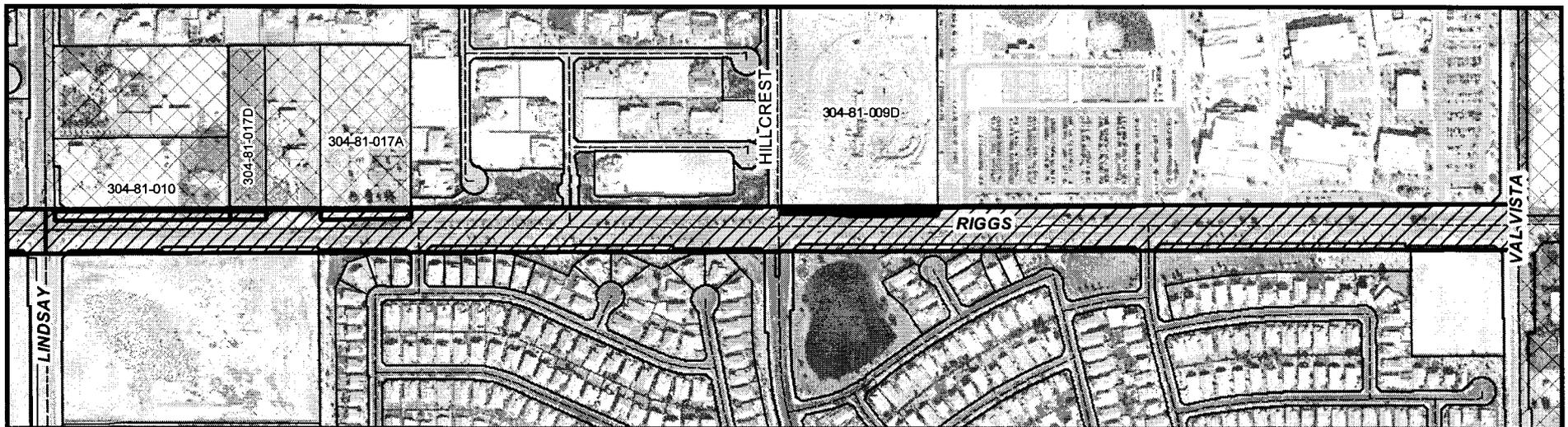
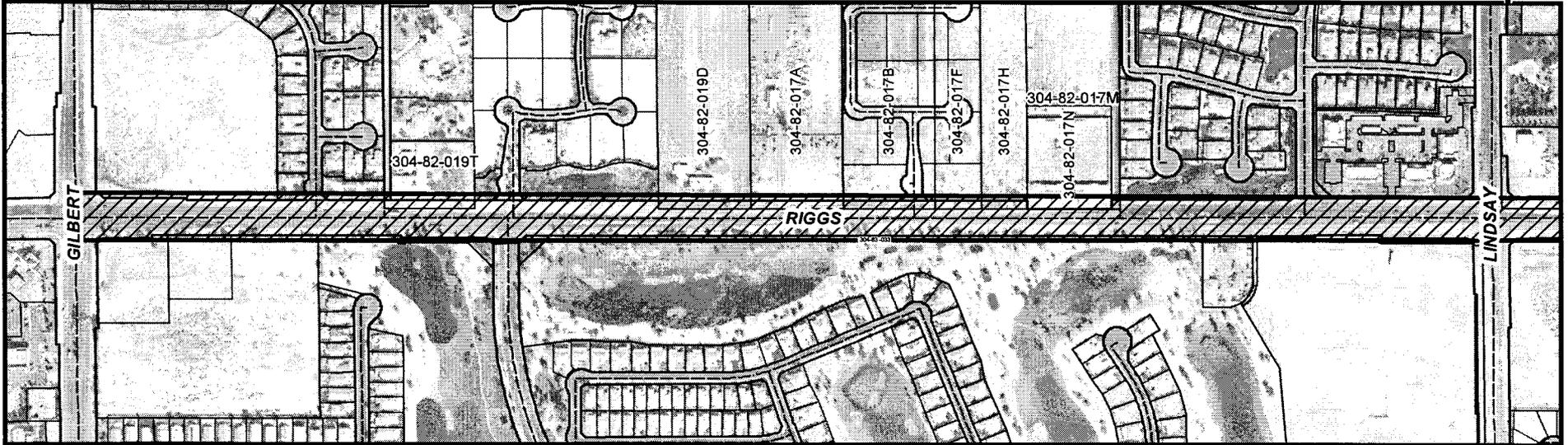
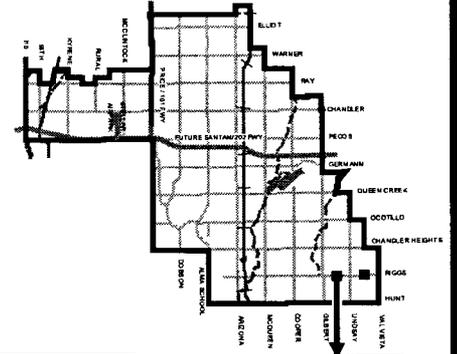


RIGGS ROAD IMPROVEMENTS FROM GILBERT RD. TO VAL VISTA DR. PHASE III

MEMO NO. CA09-161



 ROAD IMPROVEMENTS



CITY OF CHANDLER CHANGE ORDER

CHANGE ORDER NUMBER 1

DATE 1-22-09

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>Riggs Rd (Gilbert Rd. to Val Vista) Dr - Phase III</u>	CONTRACTOR	<u>Nesbitt Contracting, Co.</u>
PROJECT NO.	<u>ST0613-403</u>	COST ACCT #	<u></u>
USER DEPT	<u>Public Works</u>	NTP DATE	<u>8/20/08</u>

TO: Nesbitt Contracting, Co.
(CONTRACTOR)

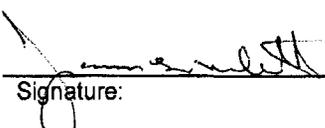
YOU ARE DIRECTED TO MAKE THE FOLLOWING CHANGES TO THIS CONTRACT:
(Describe changes in detail and/or reference attached cost breakdown sheet.)
Exhibit A - Scope of Work with Clarifications and Assumptions Exhibit B - Fee Schedule, Exhibit C, Required Compliance With Arizona Procurement Law, attached hereto and incorporated by reference.

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

ORIGINAL CONTRACT AMOUNT:	<u>\$7,053,256.36</u>
CURRENT CONTRACT PRICE PRIOR TO CHANGE ORDER (Including previous change orders)	<u>\$7,053,256.36</u>
NET CHANGE RESULTING FROM THIS CHANGE ORDER:	<u>\$ 878,477.89</u>
REVISED CONTRACT PRICE INCLUDING THIS CHANGE ORDER:	<u>\$7,931,734.25</u>
CHANGE ORDER IS % OF ORIGINAL CONTRACT AMOUNT:	<u>12%</u>

CONTRACT TIME OR COMPLETION DATE PRIOR TO THIS CHANGE ORDER (Including previous change orders):	<u>300</u> <u>6/16/09</u>
	DAYS DATE
NET CHANGE RESULTING FROM THIS CHANGE ORDER:	<u>75</u>
	DAYS
REVISED CONTRACT TIME AND COMPLETION DATE:	<u>375</u> <u>8/30/09</u>
	DAYS DATE

THE ABOVE IS AGREED TO BY:

<u>Nesbitt Contracting, Co.</u>		<u>03/02/09</u>
CONTRACTOR	Signature:	Date

CITY OF CHANDLER (Date & Name of Owner Dept. verbal approval): 2-25-09 Daniel Cook

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

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

Or (but not both)

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

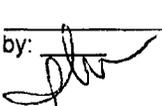
<u>MAYOR</u>	<u></u>	
Approved by Council on:	Date:	
<u></u>	<u></u>	
Date	Attest: City Clerk	Date
Approved at to Form:	<u></u>	<u></u>
City Attorney by:		<u></u>

EXHIBIT A
SCOPE OF WORK

SCOPE OF WORK

CM@RISK to add various items to the contract not required in the original scope of work, and to add time for the completion of those items.

The area of work for this change order is from Val Vista Road to Gilbert Road, and now includes the SRP right of way on the north side of Riggs Road.

Major Work Items Include:

- A. Undergrounding of SRP 12kv and Qwest conduit.
- B. Apply Fog Seal from Val Vista to Lindsay.
- C. Upgrade existing asphalt at the following additional locations:
 - 1. Full depth remove & replace Sta. 151+50 to 164+00, 103+50 to 124+40
 - 2. Mill & Overlay (2" rubber) Sta. 101+00 to 103+50, 142+22 to 151+50 EB
 - 3. Mill & Overlay (2" AC) 142+22 to 150+76 WB
- D. Additional RWCD requirements at the sewer line crossing.
- E. Correct drainage issues at Lindsay and Riggs.
- F. Install a short (3'+/-) retaining wall at north ROW line, Sta. 152+75 to 164+00
- G. Reduce asphalt prices to current levels.

ASSUMPTIONS AND CLARIFICATIONS

- A. Traffic control procedures will not be changed during the completion of this work.
- B. The height of the wall at Lindsay will not exceed 3'.
- C. SRP will provide the bracing of their power poles in a timely fashion, and the invoice for this work will be submitted directly to the City of Chandler.
- D. SRP and Qwest will complete the relocation of their conductors and removal of their poles immediately following completion of the underground conduit.
- E. Obtaining ROW for the enlarged retention basin will not delay project completion.
- F. CM@RISK is allowed to crush the removed asphalt for reuse as ABC.
- G. Existing striping will not need to be obliterated prior to application of Fog Seal.
- H. The price for asphaltic concrete does not increase after June 30, 2009

EXHIBIT B
FEE SCHEDULE

Item No.	Description	UM	Unit Cost	Quantity	Cost
1	SRP Undergrounding	LS	\$197,057.50	1.0	\$197,057.50
2	T & M Costs due to bracing requirement	AL	\$3,550.00	17.0	\$60,350.00
3	Splicing Costs due to bracing requirement	EA	\$1,030.00	34.0	\$35,020.00
4	Revisions to Street Lighting Conduit	LS	-\$7,426.75	1.0	(\$7,426.75)
5	Fog Seal from Val Vista to Lindsay(see cost report)	SY	\$0.35	41425.0	\$14,498.75
6	Restripe from Val Vista to Lindsay (see Quotation)	LS	\$17,171.28	1.0	\$17,171.28
7	Remove Asphalt Pavement	SY	\$2.35	17409.0	\$40,911.15
8	Subgrade Preparation	SY	\$5.29	9507.0	\$50,292.03
9	Install MAG ABC	TON	\$12.58	1280.0	\$16,102.40
10	Asphalt concrete. A-19	TON	\$91.90	1568.0	\$144,099.20
11	Asphalt concrete. A-12.5	TON	\$93.88	1578.0	\$148,142.64
12	Asphalt Rubber Asphalt Concrete	TON	\$118.88	55.0	\$6,538.40
13	Tack Coat	TON	\$1,398.89	7.3	\$10,211.90
14	Additional Traffic Control	AL	\$25,000.00	1.0	\$25,000.00
15	Jack & Bore and RWCD Permit added to scope	LS	\$30,040.90	1.0	\$30,040.90
16	additional sewer Stub at Sta 160+80 (prox)	LS	\$31,015.31	1.0	\$31,015.31
17	Additional Survey Costs at Lindsay (NEC)	LS	\$1,506.00	1.0	\$1,506.00
18	Roadway Excavation	CY	\$13.89	1052.0	\$14,612.28
19	Drainage Excavation	CY	\$14.33	-57.0	(\$816.81)
20	Regrade Completed Retention Basins 1,3,4,5	SF	\$0.58	21824.0	\$12,657.92
21	Property Wall	LF	\$74.14	1025.0	\$75,993.50
22	Deduct for 19mm AC purchased in 2009	TON	-\$24.00	3512.0	(\$84,288.00)
23	Deduct for 12.5mm AC purchased in 2009	TON	-\$24.00	1578.0	(\$37,872.00)
24	Deduct for ARAC purchased in 2009	TON	-\$28.00	5346.0	(\$149,688.00)
25	Deduct for Tack Coat purchased in 2009	TON	-\$300.00	20.0	(\$6,000.00)
Subtotal - Direct cost					\$645,129.60
	General Conditions	MO	\$40,264.20	2.5	\$100,660.50
	Corporate Overhead(5 % of Direct Cost and GC's)	LS		1.0	\$37,289.50
Total Cost					\$783,079.60
	Contractor's Fee (5% of Running Total #2)	LS		1.0	\$39,153.98
Subtotal - Total w/o Bond & Insurance					\$822,233.58
	Bond (.685%) of Total contract	LS		1.0	\$5,632.30
	Insurance (1%) of Total Contract	LS		1.0	\$8,222.34
Running Total - Total w/o Tax					\$836,088.22
	Sales Tax(City of Chandler)7.8% of 65% or 5.07%	LS		1.0	\$42,389.67
Running Total - TOTAL C/O ESTIMATE					\$878,477.89

EXHIBIT C

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 (Exhibit C) 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. §35-393.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Iran.

In accordance with A.R.S. §35-391.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Sudan."

EXHIBIT C-1
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:	ST0613-403. Riggs Road Improvements		
Name (as listed in the contract):	Nesbitt Contracting Co., Inc.		
Street Name and Number:	100 S. Price Road		
City:	Tempe,	State:	AZ Zip Code: 85281

I hereby attest that:

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;

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

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:



Printed Name: James L. Nesbitt

Title: President

Date (month/day/year): 03/02/09