



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA09-180**

1. Agenda Item Number:
21
2. Council Meeting Date:
March 12, 2009

TO: MAYOR & COUNCIL

3. Date Prepared: February 26, 2009

THROUGH: CITY MANAGER

4. Requesting Department: Municipal Utilities

5. SUBJECT: Approve Change Order No. 1 in the amount of \$1,898,250 to the construction contract with Achen-Gardner Engineering, LLC, for the Gilbert Road Improvements (Germann to Queen Creek), Project No. ST0625-401, for a revised contract price of \$10,729,995.

6. RECOMMENDATION: Staff recommends that Council approve Change Order No. 1 in the amount of \$1,898,250 to the construction contract with Achen-Gardner Engineering, LLC, for the Gilbert Road Improvements (Germann to Queen Creek), Project No. ST0625-401, for a revised contract price of \$10,729,995.

7. BACKGROUND/DISCUSSION: The project will widen Gilbert Road to the major arterial six-lane standard between Germann Road and Queen Creek. Queen Creek will also be widened to six lanes to the east of Gilbert Road in coordination with the Layton Lakes development.

The 2008 Water Master Plan specified high flow rate requirements for the Chandler Airport industrial area as outlined by applicable fire codes. Staff determined that modifying the Gilbert Road Improvement Project to include additional pipeline work and other appurtenances would most cost effectively accomplish this objective. Work performed under this change order accelerates pipeline installation that would have eventually been included in a future phase of the Gilbert Road Improvement Project. By doing this work now, Municipal Utilities staff will be able to optimize distribution system pressures to immediately provide a high level of service to the Airport industrial area at the lowest possible energy costs, while saving seven million dollars in future capital costs.

Other items included in this change order are additional costs for sewer manhole rehabilitation and a microseal treatment for existing pavement on Queen Creek in front of the Paseo Trail subdivision.

Also, the City has agreed to underground an additional quarter mile of the Roosevelt Water Conservation District canal on Queen Creek in front of the Rockefeller Group property. The costs of this work will be reimbursed through a development agreement.

8. EVALUATION: On June 26, 2008, Council awarded a construction contract to Achen-Gardner Engineering, LLC, for the Gilbert Road Improvements. City staff reviewed the costs in this change order and found them to be consistent with recent similar work.

9. FINANCIAL IMPLICATIONS:

Cost:	\$1,898,250	(This change order)
Savings:	N/A	
Long-Term Costs:	N/A	
Original Contract Price:	\$ 8,831,745	
Change Order Number 1	\$ 1,898,250	21% of Original Contract Price
Revised Contract Price:	\$10,729,995	

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
415.3310.0000.6517.8ST482	Impact Fees	Gilbert Road (Germann to Queen Creek)	FY 07/08	\$433,986.40
603.3820.0000.6713.8WA034	Water SDF	Well Construction	FY 07/08	\$1,464,263.60

10. PROPOSED MOTION: Move that Council approve Change Order No. 1 in the amount of \$1,898,250 to the construction contract with Achen-Gardner Engineering, LLC, for the Gilbert Road Improvements (Germann to Queen Creek), Project No. ST0625-401, for a revised contract price of \$10,729,995, and authorize the Mayor to sign the contract documents.

ATTACHMENTS: Location Map, Change Order

APPROVALS

11. Requesting Department

DC FOR

Daniel W. Cook, Deputy Public Works Director

14. Department Head

R.J. Zeder

R.J. Zeder, Public Works Director

12. Requesting Department

RM

Robert Mulvey, Assistant Municipal Utilities Director

15. Department Head

Dave Siegel

Dave Siegel, Municipal Utilities Director

13. City Engineer

Sheina Hughes

Sheina Hughes, Assistant Public Works Director/City Engineer

16. City Manager

Pat Pentz for MP

W. Mark Pentz

CITY OF CHANDLER CHANGE ORDER
CHANGE ORDER NUMBER 1
DATE 2/11/09

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>Gilbert Road Improvements</u>	CONTRACTOR	<u>Achen-Gardner</u>
PROJECT NO.	<u>ST0625-401</u>	COST ACCT #	
USER DEPT	<u>Public Works</u>	NTP DATE	<u>12/2/2008</u>

TO: Achen-Gardner Engineering, LLC

(CONTRACTOR)

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

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

Install new 16" waterline, pressure reducer, and associated equipment in accordance with the zone split revision to the 2008 Water Master Plan. Rehabilitate additional manholes in accordance with Municipal Utilities recommended guidelines and specifications. Underground ¼ mile irrigation lateral on north side of Queen Creek east of Emmett Drive per plans. Microseal asphalt on Queen Creek along Paseo Trail subdivision frontage. Exhibit A & A-1 for line item costs and clarifications, attached hereto and incorporated by reference. Exhibit B, Required Compliance With Arizona Procurement Law, attached hereto and incorporated by reference. Contractor is required to sign Exhibit B-1.

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

ORIGINAL CONTRACT AMOUNT:	<u>\$8,831,745.00</u>
CURRENT CONTRACT PRICE PRIOR TO CHANGE ORDER (Including previous change orders)	<u>\$8,831,745.00</u>
NET CHANGE RESULTING FROM THIS CHANGE ORDER:	<u>\$1,898,250</u>
REVISED CONTRACT PRICE INCLUDING THIS CHANGE ORDER:	<u>\$10,729,995</u>
CHANGE ORDER IS % OF ORIGINAL CONTRACT AMOUNT:	<u>21%</u>

CONTRACT TIME OR COMPLETION DATE PRIOR TO THIS CHANGE ORDER (Including previous change orders):	<u>210</u>	<u>6/30/2009</u>
	DAYS	DATE

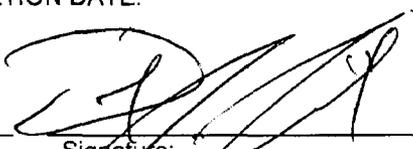
NET CHANGE RESULTING FROM THIS CHANGE ORDER:	<u>60</u>	DAYS
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REVISED CONTRACT TIME AND COMPLETION DATE:	<u>270</u>	<u>8/29/2009</u>
	DAYS	DATE

THE ABOVE IS AGREED TO BY:

Achen-Gardner Engineering, LLC

CONTRACTOR

Signature: 

Date: 2-27-09

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

John Knudson, 2/9/09
Paul Young, 2/9/09

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>	Date:
Approved by Council on:	
<u></u>	<u></u>
Date	Attest: City Clerk
<u></u>	Date

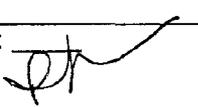
Approved at to Form:
City Attorney by: 

EXHIBIT A
FEE SCHEDULE

Item No.	Description	Propose To Self Perform	UM	Quantity 10/30/08	Unit Price 10/30/08	Total Price 10/30/08
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X =
AGE

GENERAL ITEMS FOR MANHOLE REHABILITATION
AND RWCD IRRIGATION

1	CONSTRUCTION SURVEY & LAYOUT (including As-Builts)	SIG	LS	1.00	\$2,937.00	\$2,937.00
2	QUALITY CONTROL & MATERIAL TESTING (ALLOWANCE)	N & M	LS	1.00	\$6,600.00	\$6,600.00
3	TRAFFIC CONTROL	X	LS	1.00	\$6,455.00	\$6,455.00
4	CONSTRUCTION WATER AND DUST CONTROL	X	LS	1.00	\$7,504.00	\$7,504.00

(a) SUBTOTAL - GENERAL ITEMS \$23,496.00

MANHOLE REHABILITATION

5	MANHOLE REHAB (16EA) - REMOVE T-LOCK LINER & INSTALL COATING	JPCI	VF	295.00	\$709.66	\$209,349.70
6	MANHOLE REHAB (16EA) - TRAFFIC CONTROL	X	LS	1.00	\$18,577.00	\$18,577.00
GMP 87	MANHOLE REHABILITATION (Current Contract Amount Included in Approved GMP)	JPCI	LS	-1.00	\$87,000.00	(\$87,000.00)

(b) SUBTOTAL - MANHOLE REHAB ITEMS \$140,926.70

RWCD IRRIGATION

7	36" RGRCP, CLASS V	X	LF	152.00	\$187.80	\$28,545.60
8	36" RGRCP, CLASS III	X	LF	1,017.00	\$129.00	\$131,193.00
9	18" RGRCP, CLASS III	X	LF	44.00	\$110.94	\$4,881.36
10	4 SIDED MANHOLE DET 7 SHT 4	X	EA	4.00	\$13,370.00	\$53,480.00
11	JUNCTION BOX DET 4 SHT 2	X	EA	1.00	\$12,957.00	\$12,957.00
12	TURNOUT STRUCTURE, TYPE 1 MOD DET 6 SHT 3	X	EA	1.00	\$21,440.00	\$21,440.00
13	HEADWALL FOR 36" PIPE MAG 502-1 W/GRATE	X	EA	1.00	\$6,792.00	\$6,792.00
14	CONCRETE DITCH D=36 DET 2 SHT 2	X	LF	6.00	\$769.00	\$4,614.00
15	18" CONCRETE PIPE COLLAR, RWCD-30	X	EA	1.00	\$1,120.00	\$1,120.00
16	REMOVE CONCRETE LINED DITCH	X	LF	1,081.00	\$13.39	\$14,474.59
17	REMOVE IRRIGATION STRUCTURE	X	EA	5.00	\$1,484.00	\$7,420.00
18	REMOVE IRRIGATION PIPE	X	LF	183.00	\$35.95	\$6,578.85
19	VERTICAL REALIGN EXISTING 12" WATER MAIN	X	EA	1.00	\$5,925.00	\$5,925.00
20	VERTICAL REALIGN EXISTING 8" WATER MAIN	X	EA	1.00	\$5,425.00	\$5,425.00

(c) SUBTOTAL - RWCD IRRIGATION ITEMS \$304,846.40

16" WATERLINE ZONE SPLIT

(ALLOWANCE)

21	16" DIP WATERLINE	X	LF	8,200.00	\$76.26	\$625,332.00
22	12" P.PRESSURE REDUCING VALVE AND VAULT	X	EA	1.00	\$68,665.00	\$68,665.00
23	SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA)	X	EA	1.00	\$25,000.00	\$25,000.00
24	16" IN-LINE VALVES (IF REQUIRED)	X	EA	2.00	\$5,720.00	\$11,440.00
25	16" VERTICAL REALIGNMENT (IF REQUIRED)	X	EA	3.00	\$4,846.00	\$14,538.00
26	CONNECT TO EXISTING 16" WATERLINE	X	EA	5.00	\$4,200.00	\$21,000.00
27	REMOVE AND REPLACE ASPHALT CONCRETE (4")	X	SY	3,700.00	\$45.30	\$167,610.00
28	TRAFFIC CONTROL FOR 16" WATERLINE INSTALL (FLAGGING SET UP)		LS	1.00	\$60,000.00	\$58,900.00
29	VARIABLE MESSAGE BOARDS FOR 16" WATERLINE INSTALL (4 EACH)		DY	90.00	\$140.00	\$12,600.00
30	OFF-DUTY OFFICERS FOR 16" WATERLINE INSTALL		HR	120.00	\$55.00	\$6,600.00
31	QUALITY CONTROL FOR 16" WATERLINE		LS	1.00	\$10,000.00	\$10,000.00
32	SURVEY AND AS-BUILTS FOR 16" WATERLINE INSTALL		LS	1.00	\$20,330.00	\$20,330.00
33	MOBILIZATION	X	LS	1.00	\$6,000.00	\$6,000.00
34	PAVEMENT MARKINGS		LS	1.00	\$5,000.00	\$5,000.00

(d) SUBTOTAL - 16" WATERLINE ZONE \$1,053,015.00
 SPLIT (ALLOWANCE)

MICROSEAL @ PASEO TRAILS

35	MICROSEAL N. SIDE OF QUEEN CREEK ROAD JUST W. OF CONSOLIDATED CANAL (QTY BASED ON 1320' X 50' WIDE ROADWAY)		SY	7,400.00	\$5.00	\$37,000.00
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(e) SUBTOTAL - MICROSEAL @ PASEO \$37,000.00
 TRAILS

Subtotal #1 / Running Total #1 - Work Item Direct Costs						\$1,559,284.10
Subtotal #1 / Running Total #1 - T & MU "%s" of Total Direct Costs						
1001	Contractor's Fee for Overhead and Profit (10% of Running Total #1)		%	1.00	\$155,928.41	\$155,928.41
1002	General Conditions	X	MO.	2.00	\$31,692.40	\$63,384.80
Subtotal #2 - Fee						\$219,313.21
Running Total #2 - Total w/o Bond, Insurance, Tax and Contingency						\$1,778,597.31
1003	Builder's Risk, General Liability, Auto Insurance, etc... (1.5% of Running Total #2)		%	1.00	\$26,678.96	\$26,678.96
1004	General Contractor's Bond (1% of Running Total #2) (Allowance)		ALLOW	1.00	\$17,785.97	\$17,785.97
Subtotal #3 - Markups						\$44,464.93
Running Total #3 - Total w/o Tax and						\$1,823,062.24

Contingency					
1005	Sales Tax (COC 65% of 7.8% or 5.070% of Running Total #3) (Allowance)	ALLOW	1.00	\$92,429.26	\$92,429.26
1006	Tax Credits (Allowance) (Current Estimated Costs = TOTAL RWCD Irrigation is \$53,069.00)	ALLOW	1.00	-\$2,690.60	-\$2,690.60
	Tax Credits (Allowance) (Current Estimated Costs = TOTAL 16" WATERLINE is \$287,000.00)	ALLOW	1.00	-\$14,550.90	-\$14,550.90
Subtotal #4 - Tax					\$75,187.76
Running Total #4 - TOTAL CHANGE ORDER (Before Contingencies)					\$1,898,250.00
1007	Construction Contingency	LS	1.00	\$0.00	\$0.00
Subtotal #5 - Construction Contingency					\$0.00
Running Total #5 - TOTAL CHANGE ORDER (w/ Construction Contingency)					\$1,898,250.00
1008	Owner's Contingency	LS	0.00	\$0.00	\$0.00
Subtotal #6 - Owner Contingency					\$0.00
Running Total #6 - TOTAL CONTRACT (w/ All Contingencies)					\$1,898,250.00

EXHIBIT A-1
Bid Items Clarifications, Inclusions and Exclusions:

PAY ITEM #	ITEM DESCRIPTION	CLARIFICATION
1	CONSTRUCTION SURVEY & LAYOUT (including As-Builts)	<ul style="list-style-type: none"> • Includes one (1) stake at requested offset on 50-ft intervals for line and grade on the RWCD Phase II Irrigation pipe. • Includes two (2) stakes at the requested offsets for RWCD manholes. • Price is based on related Survey Innovation Group's Surveying and Layout Proposal Email dated 9-30-08. • Includes Survey & Layout of new 16" DIP Waterline and Fittings.
2	QUALITY CONTROL & MATERIAL TESTING (ALLOWANCE)	<ul style="list-style-type: none"> • Estimate of allowance is based on related Ninyo & Moore's Quality Control and Material Testing Proposal dated October 3, 2008. Work to be completed at hourly rates included in this proposal.
3	TRAFFIC CONTROL	<ul style="list-style-type: none"> • Traffic Control Item excludes installation and removal of any temporary pavement as well as temporary signals. • This item has been developed using the assumption that two (2) lanes of traffic (one in each direction) will need to be maintained along with existing turn lanes unless approved otherwise. Full and partial closures during non-peak and weekends will be allowed to construct the work located in the Gilbert intersection area of Queen Creek Road.
4	CONSTRUCTION WATER AND DUST CONTROL	<ul style="list-style-type: none"> • Includes dust control for a period of 1 1/2 hours after 3:30 pm (regular shift) on weekdays and weekend watering; 4 hrs on Saturdays & 4 hrs on Sundays. • Includes water & meter cost from a hydrant located on site. More than one location may be required within the road right-of-way.
5	MANHOLE REHAB (16 EA) – REMOVE T-LOCK LINER & INSTALL COATING	<ul style="list-style-type: none"> • Includes Manhole Rehab Subcontractor Cost to rehabilitate 16 MHs by removing T-Lock and using the specified Coating Method. It is to be noted that eight (8) of the sixteen (16) MHs are included in the Project's GMP Proposal (Re: GMP Exhibit B, Item No. 87). • Price is based on related JPCI's MH Rehab Proposal dated 8-28-08.
6	MANHOLE REHAB (16 EA) – TRAFFIC CONTROL	Includes Achen-Gardner's Cost for Traffic Control to rehabilitate all 16 Manholes.
7 THRU 20	RWCD IRRIGATION ITEMS (PHASE II)	<ul style="list-style-type: none"> • Cost is based on Phase II RWCD plan set (Re: Exhibit C, Item 2.c). • Class of pipe is per RWCD Requirements. • There is no change in pipe material cost from GMP, but install charge is for Phase II site specific.
21 THRU 34	16" DIP WATERLINE AND PRESSURE REDUCING VALVES	<ul style="list-style-type: none"> • Assumed 5' of Cover, with Full-Depth ABC Trench Backfill • PRV Detail includes 2 each 16" x 12" Tapping Sleeve and Valve • SCADA unit price is an allowance • Connections to existing waterlines per meeting discussions • Assumed All Pipe in Existing A.C. Roadway. • 4' Trench Patch, with 4" of A.C., Excluding T-Top and Seal Coat • Assumed 1 Lane Traffic Control with Flagging Operation. • Excludes temporary A.C. paving

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 (Exhibit B-1) 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 B-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:	ST0625-401, Germann Road to Queen Creek Road		
Name (as listed in the contract):	Achen-Gardner Engineering, LLC		
Street Name and Number:	550 S. 79 th St.		
City:	Chandler	State:	AZ Zip Code: 85226

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: _____

Title: _____

Date (month/day/year): _____