



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA10-029**

1. Agenda Item Number:
35
2. Council Meeting Date:
October 22, 2009

TO: MAYOR & COUNCIL

3. Date Prepared: September 14, 2009

THROUGH: CITY MANAGER

4. Requesting Department: Municipal Utilities

5. SUBJECT: Report to Council for the emergency City Manager approval of Change Order No. 2 in the not to exceed amount of \$200,000 to Achen-Gardner Engineering, LLC for the Gilbert Road Improvement, Project No. ST0625-401, for a revised contract total of \$10,929,995.

6. RECOMMENDATION: Staff recommends acceptance of this report of the emergency City Manager approval of Change Order No. 2 in the not to exceed amount of \$200,000 to Achen-Gardner Engineering, LLC for the Gilbert Road Improvement, Project No. ST0625-401, for a revised contract total of \$10,929,995.

7. HISTORICAL BACKGROUND / DISCUSSION: On September 9th, 2009, City personnel were informed by a motorist of a depression developing on Price Road, approximately 500 feet south of Queen Creek Road. City personnel investigated, found the depression to be significant and growing. The affected portion of the road was immediately shut down. A reclaimed water line running through the area was shut down at the Ocotillo Wastewater plant anticipating this was the source of the problem.

The pavement was opened and a significant leak was found in the reclaimed water line. Pumps were used to attempt to dewater the excavation. The outlet of the reclaimed water line in the adjacent lake was at an irregular elevation resulting in backflow from the lake to the excavation. At approximately midnight September 10-11, the outlet to the lake was plugged and the remaining excavation successfully dewatered.

City staff does not have the equipment to excavate and repair a large main at the depth of this main. With the impact on the major arterial roadway and associated safety issues, City staff negotiated a change order with the contractor for a nearby similar roadway and utilities project, Achen-Gardner Engineering, LLC (AGC). AGC has the resources to perform the work and was already mobilized in the vicinity so they could begin work immediately.

Due to the reclaimed water line leak's location, it represented a potential threat to the traveling public. Arizona Revised Statue 34-604 provides for the procurement of emergency services in the event of a public health or safety concern. City Code Section 3-13.3 provides for City Manager approval of emergency procurement of services if a situation exists that makes it contrary to the public interest to utilize normal procurement procedures and approval of City Council. Staff found this situation was an emergency and required immediate attention and therefore, recommended the City Manager approve the contract in amount of \$200,000. We will prepare a report to Council of the need to procure emergency services in excess of the \$50,000 in construction services as required by City Code.

8. EVALUATION PROCESS: Due to the nature of the leak's location, it is difficult to estimate a total cost until after the leak is uncovered and the total extent of the repairs identified. In discussions with the contractor, staff estimated approximately five days repair time at a total cost of \$102,000 plus the cost of materials. The change order will be tracked for time and materials in the field to establish the final cost to the City.

9. FINANCIAL IMPLICATIONS:

Cost: \$200,000

Long Term Costs: None

Fund Source:

<u>Acct. No.:</u> 611.3910.0000.6817.8WW189	<u>Fund Name:</u> Wastewater Bonds	<u>Program Name:</u> Effluent Reuse ASR Wells	<u>CIP Funded:</u> FY07/08	<u>Amount:</u> \$200,000
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10. PROPOSED MOTION: Move that Council accept this report of emergency City Manager approval of Change Order No. 2 in the not to exceed amount of \$200,000 to Achen-Gardner Engineering, LLC for the Gilbert Road Improvement, Project No. ST0625-401, for a revised contract total of \$10,929,995.

ATTACHMENTS: Location Map

APPROVALS

11. Requesting Department


Robert Mulvey, Assistant Municipal Utilities Director

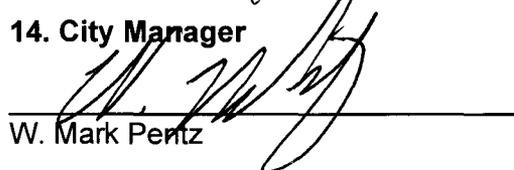
13. Department Head


Dave Siegel, Municipal Utilities Director

12. Buyer/Contract Admin/City Engineer


Sheina Hughes, Assistant Public Works Director/
City Engineer

14. City Manager


W. Mark Pertz



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MEMORANDUM

Public Works – PWA10-014

DATE: SEPTEMBER 11, 2009

TO: W. MARK PENTZ, CITY MANAGER

FROM: DAVE SIEGEL, MUNICIPAL UTILITIES DIRECTOR
SHEINA HUGHES, ASSISTANT PUBLIC WORKS DIRECTOR/CITY ENGINEER

SUBJECT: EMERGENCY AUTHORIZATION TO PROCURE MATERIALS AND PERFORM
CHANGE ORDER WORK

BACKGROUND/DISCUSSION

On September 9th, 2009, City personnel were informed by a motorist of a depression developing on Price Road, approximately 500 feet south of Queen Creek Road. City personnel investigated, found the depression to be significant and growing. The affected portion of the road was immediately shut down. A reclaimed water line running through the area was shut down at the Ocotillo Wastewater plant anticipating this was the source of the problem.

The pavement was opened and a significant leak was found in the reclaimed water line. Pumps were used to attempt to dewater the excavation. The outlet of the reclaimed water line in the adjacent lake was at an irregular elevation resulting in backflow from the lake to the excavation. At approximately midnight September 10-11, the outlet to the lake was plugged and the remaining excavation successfully dewatered.

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FINANCIAL IMPLICATIONS

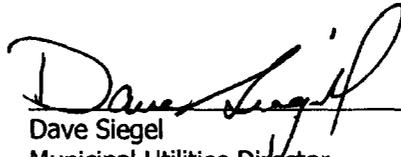
Since the scope of work is difficult to define until the leak is excavated, an accurate cost is difficult to define. In consultation with the contractor, staff has estimated labor, equipment, traffic control, and materials could cost approximately \$109,000 for the excavation and repair and up to another \$20,000 for the plug and work at the lake, for a not to exceed amount of \$200,000. This is a conservative estimate; the work will be tracked on a time and material basis to ensure that the City will pay only for the services needed.

RECOMMENDATION

We recommend that the City Manager find the above-described Change Order, to prevent potential impacts to the public health and safety and that the City Manager approve said Change Order, which would otherwise require Council approval and through this memo notify the City Council as required by the City Code.



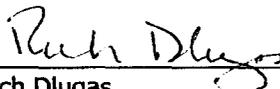
Sheina Hughes
Assistant Public Works Director/
City Engineer



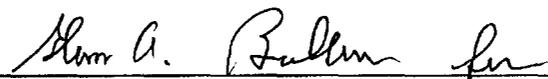
Dave Siegel
Municipal Utilities Director

FINDING

I, Rich Dlugas, based on the facts and recommendations set forth above, find the above described Change Order, which would otherwise require Council approval, requires immediate approval to prevent an undue financial burden to the City and hereby approve said Change Order. This memo will be sent to the Mayor and Council within five working days and placed on the consent agenda at the next Council meeting to comply with the requirement to notify the City Council in the City Code.



Rich Dlugas
Acting City Manager

APPROVED AS TO FORM: 

Mary Wade, City Attorney



EMERGENCY CHANGE ORDER

