

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

CC: 3TR
Amend No. 1

Date Prepared: May 1, 2008

Council Meeting Date: May 6, 2008

TO: Terry Ellis, City Manager
FROM:  David A. Moody, P. E., Engineering Director
THROUGH: Dan Nissen, P. E., Assistant City Engineer
PREPARED BY: Chris Kmetty, P. E., Senior Civil Engineer
SUBJECT: Approve Contract Amendment No. 3, Guaranteed Maximum Price No. 2 (GMP#2), to Ames Construction for Happy Valley Road Widening from 75th Avenue (Terramar Boulevard) to 83rd Avenue (Engineering Project P-0111, Solicitation Number P07-0076, LCON 06407)

RECOMMENDATION:

That Mayor and Council approve Contract Amendment No 3, Guaranteed Maximum Price No. 2 (GMP#2), to Ames Construction, Inc. for construction services associated with the construction of Happy Valley Road Widening from 75th Avenue to Lake Pleasant Parkway for an amount not to exceed \$10,054,053.57.

Also, that Mayor and Council approve the acceleration of project funds from FY09 to FY08 by authorizing a budget transfer in the amount of \$8,371,079.22 from the General Fund Contingency Account 1000-0300-570000 to the Proposed MDA Bond Fund Street Improvements Account 4230-4230-543001-CIPST-PW00146CO.

Funding for the waterline portion of this contract (\$154,014.34) is available in the Water Expansion Fund Water System Account 2161-2221-543002-CIPWR-UT00199CO.

Funding for the median portion of this contract (\$1,528,960.01) is available in the Streets Development Zone 2 Fund Street Improvements Account 7002-7052-543001-CIPST-EN00254CO.

CITY CLERK USE ONLY:

- Consent Agenda
- Carry Over to Date: _____
- Approved
- Unfinished Business (Date heard previous: _____)
- New Business
- Public Hearing: No Action Taken

ORD. # _____ RES. # _____
LCON# _____ LIC. # _____
Action Date: _____

Council Communication
Contract Amendment No.3 GMP #2 Ames Construction
Happy Valley Road; 75th Avenue to Lake Pleasant Parkway
May 6, 2008
Page: 2

SUMMARY:

Today there are no continuous east-west corridors between Deer Valley Road and SR 74 due to the topography of the area and historically a low level of development in the area. The projected growth of the area and a shift in development trends towards the northwest area of the City of Peoria (City) has resulted in an increase in traffic volumes and the need for additional roadway capacity. Anticipating this need, Happy Valley Road has been identified as an east-west arterial street.

The Peoria Transportation Needs Study (TNS) recommended extending Happy Valley Road from 75th Avenue to Lake Pleasant Parkway. The TNS confirmed that based on traffic projections a two lane roadway will provide adequate capacity until 2015.

Staff recommended the construction of this project by the Construction Manager at Risk (CM@R) alternative delivery method, rather than the conventional design-bid-build method. This CM@R method has been used successfully in area projects, and is desirable when timing and coordination of the work are critical issues. The completion of this project is critical for the City's transportation needs in rapidly developing Northern Peoria. The CM@R method will enable a more economical and efficient completion of this project.

Construction of Happy Valley Road is currently in progress, specifically, the improvements included as part of GMP#1, which include construction of the North New River Bridge, drainage improvements, New River Trail Underpass improvements (CS00127), and construction or roadway grading from 83rd Avenue to approximately 500' east of 91st Avenue. Staff is now recommending that Contract Amendment No. 3, GMP#2, be approved.

GMP#2 consists of the construction costs for the following improvements; Happy Valley Road from 75th Avenue (Terramar Boulevard) to 91st Avenue, the south New River Bridge, drainage improvements, 83rd Avenue from Hatfield Road (SRP power lines) to approximately 500' north of Happy Valley Road, traffic signals, lighting, and landscaping, construction of the median, landscape, sidewalk widening, striping and signage between 75th Avenue (Terramar Boulevard) to 67th Avenue (EN00254), and additional waterline improvements (UT00199).

A summary of the Ames Revised Contract amount is provided below:

Original Contract, Pre-Construction Services:

On July 10, 2007, Council awarded the pre-construction services contract to Ames Construction in the amount of \$284,527.00

Council Communication
Contract Amendment No.3 GMP #2 Ames Construction
Happy Valley Road; 75th Avenue to Lake Pleasant Parkway
May 6, 2008
Page: 3

Contract Amendment No. 1 :

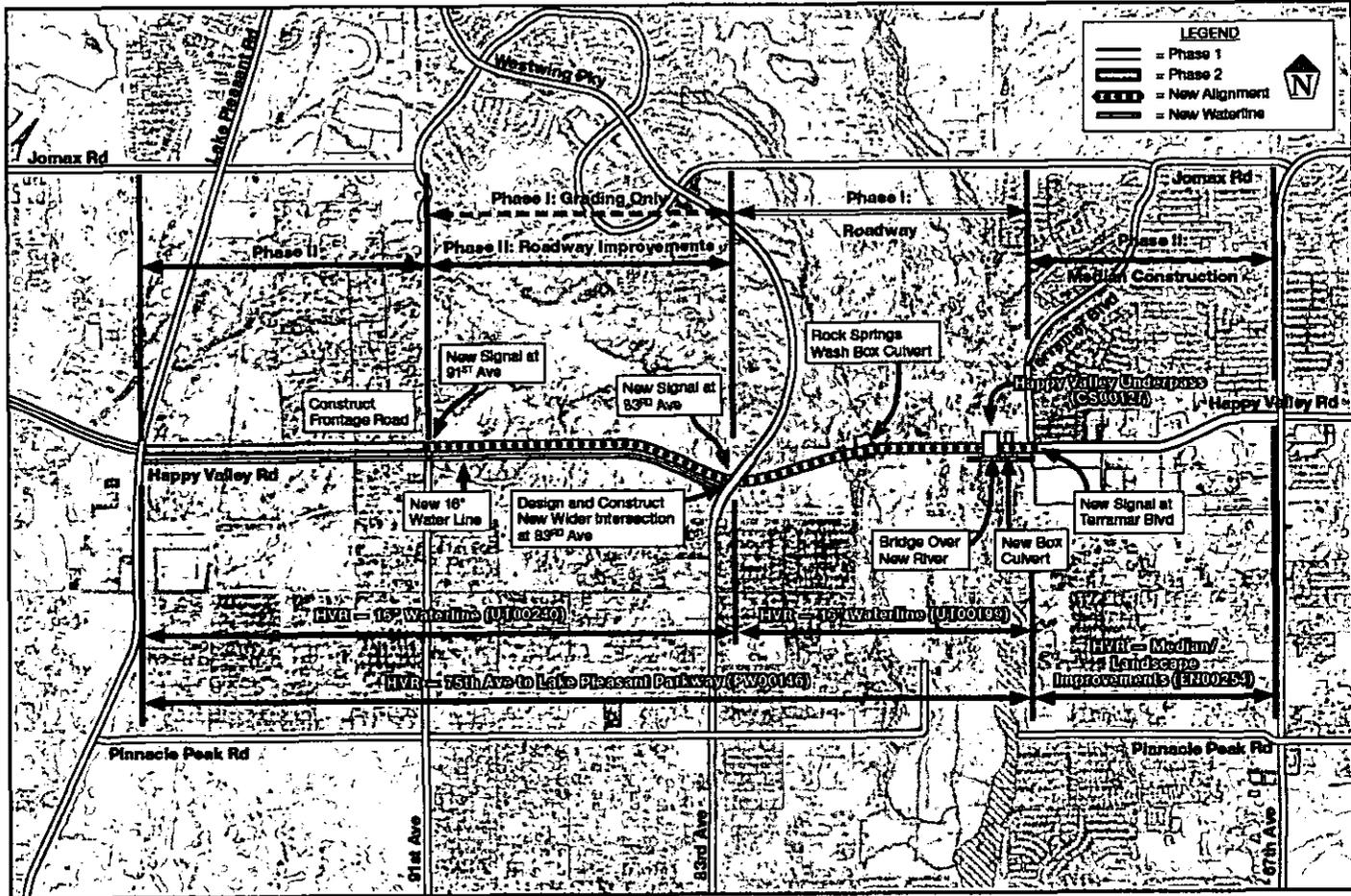
Contract Amendment No. 1 was executed on October 31, 2007 and acknowledged and included the List of Identified Risks, Subcontractor Selection Plan and Preliminary Schedule as part of the contract for Happy Valley Road Construction Services.

Contract Amendment No. 2. GMP#1:

On December 18, 2007, Council approved Contract Amendment No. 2, GMP #1, in the amount of \$13,970,016.55, for providing construction services for Happy Valley Road from 75th Avenue (Terramar Boulevard) to 83rd Avenue.

Original Contract Amount:	\$	284,527.00
Contract Amendment No. 1	\$	0.00
Contract Amendment No. 2 (GMP#1)	\$	13,970,016.55
Contract Amendment No. 3 (GMP#2)	\$	<u>10,054,053.57</u>
Revised Contract Amount:	\$	24,308,597.12

Council Communication
 Contract Amendment No.3 GMP #2 Ames Construction
 Happy Valley Road; 75th Avenue to Lake Pleasant Parkway
 May 6, 2008
 Page: 4





CONTRACT AMENDMENT Change Order

Materials Management
Procurement
8314 W. Cinnabar Ave.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118

Solicitation No.: P07-0076 Page 1 of
Amendment No.: Three (3) Date: April 22, 2008

Buyer: Jennifer Miller

Project No.: P-0111, #PW00146 Agreement Date: July 11, 2007
Project Description: Happy Valley Road Construction Completion Date: September 29, 2009
Change Order Type: Owner Initiated Errors & Omissions Unknown Conditions Phased Award

The changes as shown on the attached sheet are hereby made to the contract.

Contract Price Change:

Original Contract Price:	\$284,527.00
Total of previous change orders:	\$13,970,016.55
Original contract price plus previous change order(s):	\$14,254,543.55
The contract price due to this change order will be increased by:	\$10,054,053.57
The new contract price including this change order will be:	\$24,308,597.12

Contract Time Change:

The contract time will be increased by NA days.
The new date for completion of all work will be 9/29/09

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

Ames Construction, Inc.

Signature	Date	Typed Name and Title	Company Name
3410 E. University Dr.	Phoenix	AZ	85034
Address	City	State	Zip Code

Attested By:

Mary Jo Kief, City Clerk

35R 050608
CC Number

LCON06407C
Contract Number

City Seal
Copyright 2003 City of Peoria, Arizona

Official File

Dan Nissen, Asst City Engineer

Jennifer Miller, Contract Officer

Approved By: Herman F. Koebergen, Materials Manager

Approved as to Form: Stephen M. Kemp, City Attorney
The above referenced Contract Amendment is hereby Executed
_____, _____, at Peoria, Arizona

Terrence L. Ellis, City Manager