

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

CC: 17C
Amend No. _____

Date Prepared: June 10, 2008

Council Meeting Date: July 1, 2008

TO: Carl Swenson, City Manager
FROM: Dan Nissen, P.E., Acting Engineering Director
PREPARED BY: Burton Charron, P.E., CFM, Senior Civil Engineer
SUBJECT: Approve Construction Contract Amendment No. 4 to Ledcor consisting of Field Change Orders No. 7 thru No. 14, for various extra work claims, change of conditions claims and value engineering for the Rose Garden Lane Drainage Improvements Project (Project No. SS-0203, Solicitation No. P07-0088, LCON 05707)

RECOMMENDATION:

That Mayor and Council approve the Construction Contract Amendment No. 4 to Ledcor in the not to exceed amount of \$703,801.22, consisting of Field Change Orders No. 7 thru No. 14 for various extra work claims, change of conditions claims and value engineering for the Rose Garden Lane Drainage Improvements Project , and also includes the addition of 36 days.

In addition, that Mayor and Council approve a budget transfer within the project in the amount of \$258,378.51 from the Proposed GO Bond Fund, Land Acquisition Account 4220-4220-540000-CIPDR-PW00184LA to the Proposed GO Bond Fund, Storm Drain System Account 4220-4220-543004-CIPDR-PW00184CO.

Payment will be from the Rose Garden Lane Channel Project Proposed GO Bond Fund Storm Drain System Account 4210-4210-543004-CIPDR-PW00184CO in the amount of \$604,193.11, and from the Rose Garden Lane Channel Project Outside Sources Fund Storm Drain System Account 4810-4810-543004-CIPDR-PW00184CO in the amount of \$99,608.11.

SUMMARY:

The Rose Garden Lane Channel is one of several projects recommended by the Glendale-Peoria Area Drainage Master Plan (G-P ADMP). Council adopted the recommendations of

CITY CLERK USE ONLY:

- Consent Agenda
- Carry Over to Date: _____
- Approved
- Unfinished Business (Date heard previous: _____)
- New Business

ORD. # _____ RES. # _____
LCON# 05707D LIC. # _____
Action Date: _____

Council Communication
Rose Garden Lane Drainage Improvements, SS-0203
July 1, 2008
Page: 2

the G-P ADMP in May 2001, and the Flood Control District of Maricopa County (District) Board of Directors adopted the G-P ADMP recommendations in December 2001. Peoria ranked this project as a high priority compared to the remaining projects of the G-P ADMP.

On January 6, 2004, Council approved an Intergovernmental Agreement (IGA) with the District for the design, right-of-way (R/W) acquisition, and utility relocations for the Rose Garden Lane channel improvements, from the Agua Fria River to Lake Pleasant Road (Phase I). The IGA called for the City and District to share equally (50/50) the costs for design, R/W and utility relocations called for in the project.

On August 9, 2006, Council approved an IGA with the District for the construction, construction management, operations and maintenance for the Rose Garden Lane channel improvements, from the Agua Fria River to Lake Pleasant Road (Phase I). The IGA called for the City and District to share equally (50/50) the costs for construction and construction management of the project and further obligations of the City of Peoria for the operations and maintenance of the project.

The Original Rose Garden Lane Project was for the channel and box culvert improvements along Rose Garden Lane from 99th Avenue (Lake Pleasant Road) to the Agua Fria River (115th Avenue). This project is defined as the shared project with the Flood Control District.

The Concept Refinement Study and the Westbrook Village Verdict recommended that the Rose Garden Channel be extended from Lake Pleasant Road to 95th Avenue, including modifications to the Dove Valley Ranch basin, located at the northeast corner of 95th Avenue and Lake Pleasant Parkway. The extended channel will provide for the diversion of the flows away from the Westbrook Village golf course and westerly to the Agua Fria River. Since the extension of the Rose Garden channel from Lake Pleasant Road to 95th Avenue is not part of the ADMP recommendation, the construction costs are not shared with the District, and will be funded solely by the City. Some of the City's costs were reduced as the result of the cooperative effort with the developer for Camino South. The developer will construct the improvements on Rose Garden Lane from 105th Avenue to 95th Avenue.

The Rose Garden channel and Dove Valley Ranch basin modification improvements were planned to be constructed with the Westbrook Village drainage improvements. However, the 95th Avenue box culvert and the Dove Valley Ranch basin modifications are in the process of being constructed with the Rose Garden Lane Drainage Project to allow flows to be diverted away from Westbrook Village earlier than anticipated.

The City is constructing Phase II of the Rose Garden Lane Drainage Project which consists of drainage improvements along 107th Avenue from Alta Vista Park to Rose Garden Lane, including basin outlets at the Alta Vista Park and Alta Vista Basin, which do not presently connect to existing drainage improvements in 107th Avenue. The 107th Avenue box culvert

Council Communication
Rose Garden Lane Drainage Improvements, SS-0203
July 1, 2008
Page: 3

will connect the Desert Star Basin to the Rose Garden Lane channel and add storm drains for the roadway. Since Phase II was not a recommendation of the G-P ADMP, the District is not sharing in the Phase II Project.

The overall scope of the Rose Garden Lane Drainage includes a large retention basin in the Agua Fria River. There remains a future project to excavate the Basin in the Agua Fria River to accommodate the discharge of this Regional Project. City Staff continues to work with Arizona State Lands to acquire the property and eventually excavate the basin. Future funding requests will be made in FY2009-2010 for the excavation of the basin. Staff will be returning to Council in FY2009-2010 for the award of the Basin Excavation contract.

In June 2007, Council approved the award of the Rose Garden Lane Drainage Improvements Construction Contract, Base Bid plus Alternate, to Ledcor in the amount of \$7,415,325.08. Staff had previously approved Field Change Orders 1, 2 and 3 and the corresponding Contract Amendments 1, 2 and 3 for various items of work resulting in a total contract increase of \$ 28,971.77.

Field Change Orders No. 4 thru No. 6, which have yet to be finalized, represent minor quantity adjustments that are usually addressed in a summary change order at the completion of the project addressing all contract quantities adjustments.

The following Field Change Orders are included in Contract Amendment No. 4

Field Change Order No. 7

The soil conditions encountered while excavating the box culvert require that the Contractor either lay back the excavation slopes or use a trench box in order to provide a safe area for the workmen, inspector and testing personnel. The Contractor planned on laying back the trench in accordance with the industry safety standards when it was discovered that the utility relocations associated with the project were in conflict and could not be properly supported adjacent to the trench.

The first consideration was to redesign the location of the box culvert away from the conflict, only to find that the Camino South sanitary sewer was installed in conflict in the opposite direction. A redesign in either case would result in a delay to the contractor considering the time needed to redesign the alignment, obtain approvals, and provide construction staking for a new alignment. Despite a redesign and due to the dual conflict, the trench boxes would still be needed for tighter locations along the box culvert.

Considering the safety of the workmen and the impact of a delay claim, and the fact that trench boxes would be needed for some of the installation anyway, the only reasonable option remaining was to utilize a trench box for the remaining box culvert installation.

Council Communication
Rose Garden Lane Drainage Improvements, SS-0203
July 1, 2008
Page: 4

The costs represent the additional cost to supply, deliver, assemble, place, relocate, remove, disassemble and return the trench box structures. Further costs are associated with the increased difficulty in replacing the backfill in the narrow excavation along side of the box culvert.

This work is necessitated by a change in conditions. This Field Change Order is for the "not to exceed" amount of \$ 273,352.26. The Contract will be extended by 15 working days for this change.

Since the circumstances regarding the utility conflicts were the responsibility of the City as the lead agency for the project, the Flood Control District and the City have agreed to a cost share differing from the IGA. The Flood Control District agrees to be responsible for 25% of the costs estimated to be \$68,338.07 and the City of Peoria agrees to be responsible for 75% of the costs estimated to be \$205,014.19

Field Change Order No. 8:

The trench boxes which were utilized were the maximum standard size, which are pre-approved per the industry safety standards, and without having to design and fabricate custom trench boxes at a significant cost and delivery time. The workspace and work sequence was compromised due to the cramped work area available within the trench box, and the physical obstructions of the trench box and box supports.

The box culvert subcontractor, H.W Johnson, has a companion change order to Field Change Order No.7 to address their loss of production in both manpower and procedure and time delays associated with the work space constraints. This Field Change Order is for the amount "not to exceed" \$150,937.50.

Again, since the circumstances regarding the utility conflicts are what led to the need for trench boxes described above, and are determined the responsibility of the City as the lead agency for the project, the Flood Control District and the City have agreed to a cost share differing from the IGA. The Flood Control District agrees to be responsible for 25% of the costs estimated to be up to \$37,734.37 and the City of Peoria agrees to be responsible for 75% of the costs estimated to be up to \$113,203.13. The Contract will be extended by 5 working days for this change.

Field Change Order No. 9; 95th Avenue Removals:

The original concept for the Rose Garden Lane Drainage project did not include removing and filling the 95th Avenue culvert crossing and inlet into the Dove Valley Ranch Subdivision, recently made obsolete by the Camino South developer. This was due to the uncertainty of whether the Camino South development needed the culvert facilities or not.

Council Communication
Rose Garden Lane Drainage Improvements, SS-0203
July 1, 2008
Page: 5

Now that Camino South has substantially completed the subdivision improvements, it is clear that the culvert facilities are not needed.

This work is necessitated by a change in conditions. This work was exclusively within the Westbrook Village Verdict Phase of the project and therefore the sole responsibility of the City of Peoria. This Field Change Order is for the "not to exceed" amount of \$ 18,501.38. The Contract will be extended by 3 working days for this change.

Field Change Order No. 10 – Filling the 111th Avenue Ventana Lakes Ditch:

The Contract included the filling of the existing Ventana Lakes Ditch along Rose Garden Lane, since this could be justified by the installation of the New Rose Garden Lane Channel, which performs the same function. In Contract Amendment No. 2, the Contractor filled in additional reaches of the Ventana Lakes Ditch along Rose Garden Lane. Since Contract Amendment No. 2 was for a credit to the project, staff requested a proposal to fill in the 111th Avenue Ventana Lakes Ditch anticipating an additional credit to the project.

The Contractor's proposal did not reflect as a credit to the project and in fact represents additional cost. This is due primarily to the economy, since there has been a recent demand for the earthen fill in the area (Happy Valley Road) and the contractor is able to now, profit from his excess earthen fill. Fuel cost increases and additional handling costs are also now factored in which makes the proposal a cost rather than a credit.

Representatives from the Ventana Lakes Communities have repeatedly made request for the City to reconsider the filling of the 111th Avenue Ditch. The reasoning for further consideration is two fold. The Ditch is presently maintained by the Ventana Lakes Communities HOA, at some cost and inconvenience. Also, the Ditch resides upon 23 private properties along 111th Avenue in a Drainage Easement. Upon the removal of the Ditch, coupled with a future abandonment of the Drainage Easement, the property owners could recover their rightful property for larger back yards. This Field Change Order would eliminate the burden of maintenance upon and improve aesthetics for the Ventana Communities HOA, the City and in the long run benefit the 23 Ventana Lakes property owners.

The 111th Avenue Ditch is not needed now that the Rose Garden Lane Project is functioning. Since this is not particularly associated with the regional project, the Flood Control District has indicated that they would not participate in the costs.

This work was initiated thru a citizen request and is supported thru a City Staff request for extra work. This Field Change Order is for the "not to exceed" amount of \$ 123,991.64. The Contractor is providing additional information to validate and hopefully lessen their proposal. The Contract will be extended by 5 working days for this change.

Field Change Order No. 11 – 12” and 16” Waterline Redesign and Field Modifications:

The Contractor performed pothole investigations for his own purposes throughout the project. Upon potholing and identifying the waterline work per the plans it was discovered that actual conditions were different. Design Change Memos No. 4 and No. 6 were for waterline changes that were discovered via the Contractors investigations and thru further review of the as-built drawings. Unnecessary waterline stub outs were also removed in this effort.

This work is necessitated by a change in conditions. This Field Change Order is for the “not to exceed” amount of \$ 49,570.34. The Contractor is providing additional information to validate their claim. The Contract will be extended by 3 working days for this change.

Field Change Order No. 12 - Additional 107th Avenue Pavement Restoration:

Throughout the pursuit of the Utility Relocations work several pavement cuts were made in areas just beyond the project area. This was necessary due the need for the respective utility to reach an appropriate tie-in point, i.e., cabinet, junction box, manhole etc. 107th Avenue, between Quail Avenue and Harmony Lane, has several utility cuts which would be just beyond the drainage improvements but adjacent to the newly restored intersection of 107th Avenue and Rose Garden Lane, giving the appearance that the condition of the roadway was forgotten.

This work is necessitated initially by a change in conditions and subsequently by the City's intent to achieve our roadway restoration standards. This work was exclusively within the 107th Avenue Drainage, Phase II of the project and therefore the sole responsibility of the City of Peoria. This Field Change Order is for the “not to exceed” amount of \$ 44,697.62. The Contract will be extended by 2 working days for this change.

Field Change Order No. 13 – 95th Avenue Detour Work:

At the time the Contractor bid the project, Lake Pleasant Parkway did not exist west of the 95th Avenue intersection. There were improvements made by the Parkway project and by the Camino South developer that needed to be removed, replaced and protected by our Contractor. These are considered costs due to change of conditions for which the Contractor is due. The Contractor is still providing additional information to validate the costs proposed and for which the staff will continue to negotiate.

This work is necessitated by a change in conditions. This work was exclusively within the Westbrook Village Verdict Phase of the project and therefore the sole responsibility of the City of Peoria. This Field Change Order is for the “not to exceed” amount of \$ 55,679.13. The Contract will be extended by 3 working days for this change.

Field Change Order No. 14 – Design Change Memo No.7 - Southeast Corner of 107th Avenue and Rose Garden Lane:

The original project called for a concrete channel to remain and be restored at the southeast corner of 107th Avenue and Rose Garden Lane to accommodate a drainage outlet from Ventana Lakes Subdivision. There is a large slope face along this channel which would perpetually contribute to erosion and sedimentation including associated maintenance costs. Additionally, the Contractor is continuing to seek out locations for fill dirt near the project in order to minimize project costs.

Staff proposed a change to the drainage, slope and roadway improvements in the vicinity in order to improve the drainage, reduce maintenance and improve aesthetics. Design Change Memo (DCM) No. 7 Approved by Council on June 17, 2008 was for the redesign of this series of changes.

This work is within the shared project and will be shared with the Flood Control District. The previous Design Contract Amendment No. 7 for this work was originally funded exclusively by the City of Peoria. Given the overall savings to the project, Staff will reverse the City's exclusive liability for a shared credit.

This work is being considered as a Value Engineering proposal. This Field Change Order is for a credit to the project in the amount of (\$12,928.65). DCM No. 7 was for a cost to the project in the amount of \$11,431.00. The overall effect will be a credit to both the Flood Control District and the City of Peoria in equal amounts of (\$748.83)

Staff recommends acceptance and approval of Change Orders No. 7 thru No. 14 for various extra work claims, change of conditions claims and value engineering for the Rose Garden Lane Drainage Improvements Project.

A Summary of the revised Ledcor Contract Amount is provided below:

Original Contract	\$7,415,325.08
Contract Amendment No. 1	14,763.42
Contract Amendment No. 2	(5,586.73)
Contract Amendment No. 3	19,795.08
Contract Amendment No. 4	<u>\$ 703,801.22</u>
Revised Contract Amount	\$8,148,098.07

* placeholder *



CONTRACT AMENDMENT

Change Order

Materials Management
Procurement
8314 W. Cinnabar Ave.
Peoria, AZ 85345
Telephone: (623) 773-7111
Fax: (623) 773-7118
Buyer: Christine Finney

Solicitation No.: P07-0088 Page 1
Amendment No.: Four (4) Date: June 19, 2008

ORIGINAL

Project No.: Agreement Date: June 21, 2007
Project Description: Rose Garden Ln Drainage Completion Date: August 18, 2008
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:	\$7,415,325.08
Total of previous change orders:	\$28,971.77
Original contract price plus previous change order(s):	\$7,444,296.85
The contract price due to this change order will be increased by:	\$703,801.22
The new contract price including this change order will be:	\$8,148,098.07

Contract Time Change:

The contract time will be increased by 36 days.
The date for completion of all work will be August 18, 2008

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

RECEIVED
CITY CLERK'S OFFICE
2008 JUN 19 3:18

Ledcor CMI, Inc.

Signature	Date	Typed Name and Title	Company Name
20403 N. Lake Pleasant Pky Box 488	Peoria	AZ	85382
Address	City	State	Zip Code

Attested By:

Mary Jo Kief, City Clerk

Dan Nissen, P.E. Acting City Engineer

Christine Finney, Buyer

17C 070108
CC Number

Approved by: Herman F. Koebergen, Materials Manager

LCON 05707D
Contract Number

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

Carl Swenson, City Manager