

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

CC: IR
Amend No. _____

Date Prepared: June 2, 2008

Council Meeting Date: July 1, 2008

TO: Carl Swenson, City Manager

FROM: Dan Nissen, P. E., Acting Engineering Director

PREPARED BY: Chris Kmetty, P. E., Senior Civil Engineer

SUBJECT: Approve Contract Amendment No. 4, Guaranteed Maximum Price No. 3 (GMP#3), to Ames Construction for Happy Valley Road Widening from 75th Avenue (Terramar Boulevard) to 83rd Avenue – Sunrise Mountain LLC Water and Wastewater System Improvements (Engineering Project P-0111, Solicitation Number P07-0076, LCON 06407)

RECOMMENDATION:

That Mayor and Council approve Contract Amendment No 4, Guaranteed Maximum Price No. 3 (GMP#3), to Ames Construction, Inc. for construction services associated with the construction of Happy Valley Road Widening from 75th Avenue to Lake Pleasant Parkway for the Sunrise Mountain Water and Wastewater Improvements for an amount not to exceed \$762,104.19.

In accordance with the Sunrise Mountain Escrow Agreement, Sunrise Mountain LLC has deposited \$800,000 into an escrow account for the construction of the necessary water and wastewater system improvements to serve the Sunrise Mountain subdivision.

That Mayor and Council approve a budget transfer in the amount of \$186,182.15 from the General Fund Contingency Account 1000-0300-570000 to the Outside Sources Fund Water System Account 4810-4810-543002-CIPWR-UT00199 and a budget transfer in the amount of \$575,922.04 from the General Fund Contingency Account 1000-0300-570000 to the Outside Sources Fund Wastewater System Account 4810-4810-543003-CIPWW-UT00277CO.

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# 064070 LIC. # _____
Action Date: _____

SUMMARY:

The developer for the Sunrise Mountain subdivision is required to construct certain water and wastewater system improvements in order to serve their proposed subdivision. The developer has negotiated an escrow agreement, whereby, the developer will:

- Deposit costs for the construction of the water and wastewater improvements into an escrow account
- The City will construct the water and wastewater improvements
- The City will establish a repayment agreement for the remainder of the water construction costs plus construction administration, general conditions fees and interest to be paid by the Developer in February 2009.

Staff is now recommending that Council approve Contract Amendment No. 4, GMP#3 in the amount of \$762,104.19, which includes the construction of 16" waterline in Happy Valley Road from 83rd Avenue to the west approximately 700 feet, and construction of the 8" wastewater line in Happy Valley Road from 83rd Avenue to approximately the future location of 87th Avenue.

A summary of the revisions to the Ames contract is provided below:

On July 10, 2007, Council awarded the CMAR Pre-construction Services contract to Ames in the amount of \$284,527.00

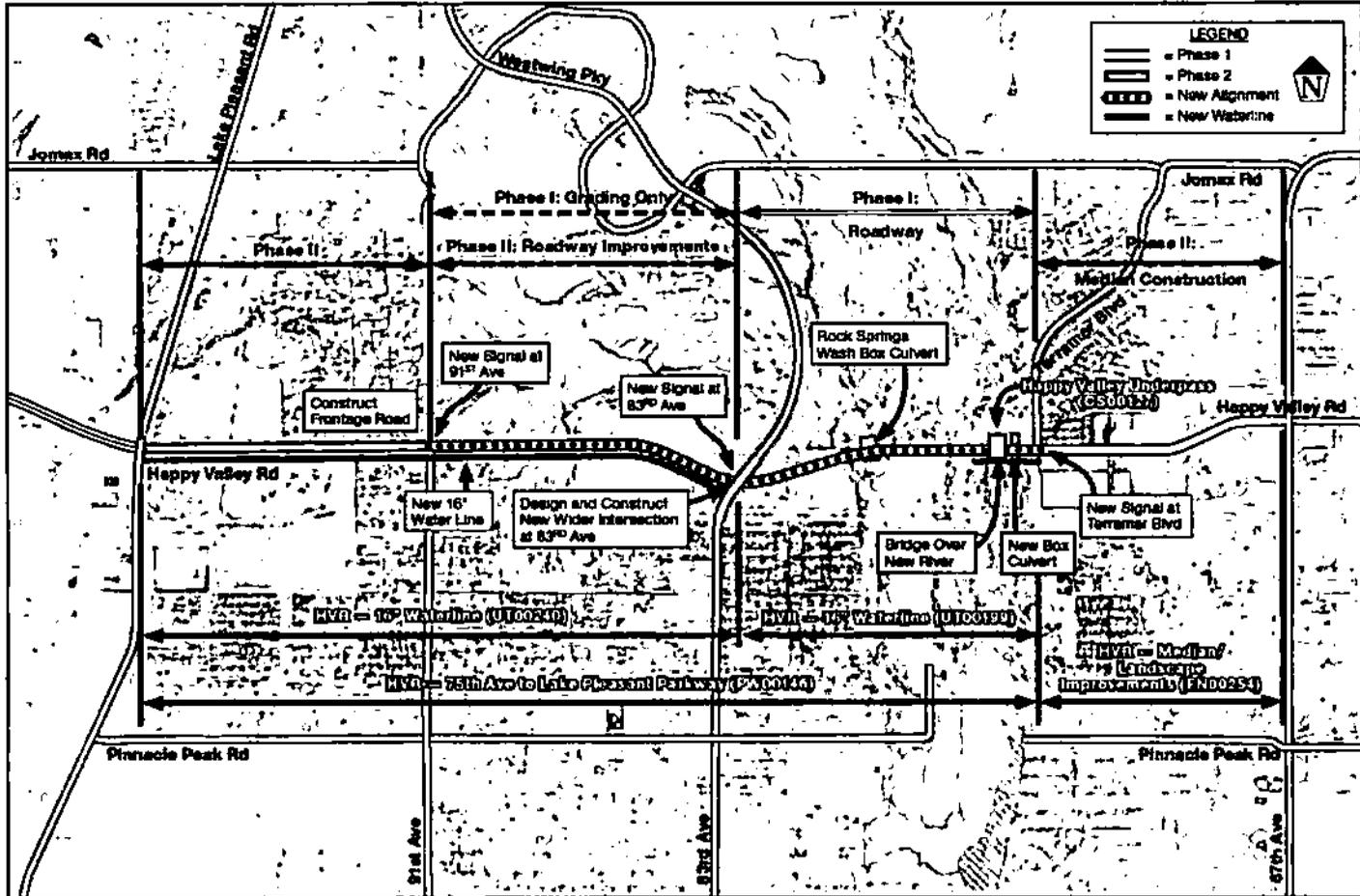
On October 31, 2007, Council approved Contract Amendment No. 1, which acknowledged and included the List of Identified Risks, Subcontractor Selection Plan and Preliminary Schedule as part of the contract for Happy Valley Road Construction Services.

On December 18, 2007, Council approved Contract Amendment No. 2, GMP#1, in the amount of \$13,970,016.55 which includes 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.

On May 6, 2008, Council approved Contract Amendment No. 3, GMP#2 in the amount of \$10,054,053.57, which 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, construction of the median, landscape, sidewalk widening, striping and signage between 75th Avenue (Terramar Boulevard) to 67th Avenue (EN00254), and additional waterline improvements (UT00199).

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)	\$ 10,054,053.57
Contract Amendment No. 4 (GMP#3)	\$ <u>762,104.19</u>
Revised Contract Amount:	\$ 25,070,701.31

Council Communication
 Contract Amendment No. 4 GMP 3 Ames Construction
 Happy Valley Road; 75th Avenue to Lake Pleasant Parkway
 July 1, 2008
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CONTRACT AMENDMENT

Change Order

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

Solicitation No.: P07-0076 Page 1 of
Amendment No.: Four (4) Date: June 5, 2008

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:	\$24,024,070.12
Original contract price plus previous change order(s):	\$14,254,543.55
The contract price due to this change order will be increased by:	\$762,104.19
The new contract price including this change order will be:	\$25,070,701.31

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

IR 070108

CC Number

LCON06407D

Contract Number

Official File

Dan Nissen, Asst City Engineer

Jennifer Miller
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

ORIGINAL