

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATIONS**

CC: 17R
Amend No. _____

Date prepared: September 15, 2008 Council Meeting Date: October 21, 2008

TO: Carl Swenson, City Manager
FROM: Dan Nissen, P.E., Acting Engineering Director
PREPARED BY: Geoffrey Zinnecker, P.E., Civil Engineer
SUBJECT: Contract Amendment No. 5, Guaranteed Maximum Price No. 4, with FNF Construction, Inc for Construction Manager at Risk services for the Thunderbird Road Widening project from the Loop 101 to 94th Drive (Engineering Project No. P-0505, Solicitation No. P07-0083, LCON 06207)

RECOMMENDATION:

Discussion and possible action to approve Contract Amendment No.5, for the final Guaranteed Maximum Price No. 4 (GMP#4), with FNF Construction, Inc. in the amount not to exceed \$1,845,185.18, for Construction Manager at Risk (CM@R) services for the construction of the remaining improvements for the Thunderbird Road Widening project from the Loop 101 to 94th Drive.

Funding for this contract amendment is available in the FY09 Capital Improvement Program.

SUMMARY:

The projected growth of traffic volume combined with the current background volume will cause the level of service on Thunderbird Road to diminish. The Northwest Valley Transportation Study and the Peoria Transportation Needs Study recommended widening Thunderbird Road to six lanes between the Loop 101 and 94th Drive. The City finished the design of the project and began construction of the project during the previous fiscal year.

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# 06207E LIC. # _____
Action Date: _____

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The project is being constructed by the CM@Risk alternative delivery method, rather than the conventional design-bid-build method. FNF Construction, Inc. was selected as the CM@Risk contractor and the contract has been awarded in phases; Phase I preconstruction services and Phase II, construction services.

Funding for the Thunderbird Road Widening project spanned several fiscal years. The original contract and Contract Amendment Nos. 1 through 4 were approved in FY08. Contract Amendment No. 5 (GMP#4) covers costs for work that was included in the original scope of the project but could not be funded in FY08. The work includes; paving the final lift of asphalt, water valve and manhole adjustments, striping and signage and the landscaping and irrigation. Staff reviewed GMP#4 and recommend approval.

A summary of the FNF contract amendments is provided below:

Original Contract:

On July 10, 2007, Council awarded the Pre-construction Services contract in an amount not to exceed \$134,280 to FNF Construction

Contract Amendment No. 1 (GMP#1)

On September 18th, 2007 Council approved Contract Amendment No 1 (GMP #1) in the amount of \$4,839,211.10 to FNF Construction, Inc for the bridge widening, and construction of the new Dillon's parking lot, using "plug" pricing as a way of accelerating the construction process. "Plug" pricing is a means of estimating prices based on past bids and future cost escalation estimates.

Contract Amendment No. 2 (GMP#2)

On March 18, 2008 Council approved Contract Amendment No. 2 (GMP #2) for this project in the amount of \$2,152,995.17, which was to pay for the Gray Development Group (GDG) improvements, which consist of widening of the road and bridge for turning lanes. Funding for Contract Amendment No. 2 (GMP#2) is provided through an escrow account established by GDG.

Contract Amendment No. 3

Contract Amendment No. 3 rescinded Contract Amendment No. 1 (GMP #1). FNF was able to re-price the original work identified in GMP#1 using exact bids from their subcontractors. Due to market conditions, many of the prices came in lower than they were originally priced. FNF passed on those savings to the City by re-pricing their original proposal.

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Contract Amendment No. 4 (GMP#3)

Contract Amendment No. 4 “absorbed” the re-priced Contract Amendment No. 1 (GMP #1) and provided for the majority of the City’s share of the Thunderbird Road Widening Improvements in the amount not to exceed \$12,778,280.09.

A summary of the revised contract amount is provided below:

Original Contract:	\$ 134,280.00
Contract Amendment No. 1 (GMP#1):	\$ 4,839,211.10
Contract Amendment No. 2 (GMP#2):	\$ 2,153,059.66
Contract Amendment No. 3 (Rescind GMP#1):	(\$ 4,839,211.10)
Contract Amendment No. 4 (GMP#3):	\$12,778,280.09
Contract Amendment No. 5 (GMP#4):	\$ 1,845,185.18
Revised Contract Amount:	\$16,910,740.44

FISCAL NOTE:

Payment for Contract Amendment No. 4, which covers all of the final construction items, will be from the Proposed GO Bond Street System Account 4220-4220-543001-CIPST-EN00011CO.

ATTACHMENT:

1. Vicinity Map

3 Lanes Eastbound on Thunderbird Road
94th Drive to 91st Avenue

THUNDERBIRD RD

94TH DRIVE

PLAZA DEL RIO BLVD

3 Lanes East and Westbound
on Thunderbird Road
91st Avenue to Loop 101

91ST AVENUE

RIO VISTA BLVD

NEW RIVER

88TH AVENUE

LOOP 101



City of Peoria
Thunderbird Road Widening
94th Drive to Loop 101



NOTE:
This Map is based on imprecise
source data, subject to change and
FOR GENERAL REFERENCE ONLY.



CONTRACT AMENDMENT

Change Order

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

Solicitation No.: P07-0083 Page 1 of 8
Amendment No.: Five (5) Date: Sept. 19, 2008

Buyer: Lisa Houg

Project No.: P-0505 Agreement Date: July 19, 2007
Project Description: Thunderbird Road Widening Project Completion Date: May 25, 2009

Change Order Type: Owner Initiated Errors & Omissions Unknown Conditions Phased Award

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

Contract Price Change:

Original Contract Price:	\$134,280.00
Total of previous change orders:	14,931,275.26
Original contract price plus previous change order(s):	15,065,555.26
The contract price due to this change order will be increased by:	1,845,185.18
The new contract price including this change order will be:	\$16,910,740.44

Contract Time Change:

The project will be completed per the attached project schedule.
The new date for completion of all work will be **May 25, 2009**

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

	9/21/08	Lee Hubert	FNF Construction, Inc.
Signature	Date	Typed Name and Title	Company Name

115 South 48 th Street	Tempe	AZ	85281
Address	City	State	Zip Code

Attested By:

Mary Jo Kief, City Clerk

17R 102108

CC Number

LCON06207E

Contract Number

Official File

Department: Dan Nissen, Assistant City Engineer

Buyer: Lisa Houg, Contract Officer

Approved by: Herman Kobergen, Materials Manager

Approved as to Form: Stephen M. Kemp, City Attorney

The above referenced Contract Amendment is hereby Executed _____ at Peoria, Arizona

Carl Swenson, City Manager