



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

21

2. Council Meeting Date:

July 27, 2009

TO: MAYOR & COUNCIL

3. Date Prepared: July 8, 2009

THROUGH: CITY MANAGER

4. Requesting Department: Management Services

5. SUBJECT: Approve Amendment One extending agreement MS8-936-2599 for water meter installation, repair, and consulting to H D Supply Waterworks, LTD, in an amount not to exceed \$650,000.

6. RECOMMENDATION: Recommend the approval of Amendment One extending agreement MS8-936-2599 for water meter installation, repair, and consulting to H D Supply Waterworks, LTD, in an amount not to exceed \$650,000.

7. HISTORICAL BACKGROUND/DISCUSSION: This request is for the second of a total of 3 phases consisting of 9,000 replacement meters to be installed. The contractor has very successfully completed the first 9,000 meter change outs and has also provided excellent customer service with the landscaping / plumbing repairs caused by the changing of box's. Our complaints have been minimal with a same day response by the contractor. Their experience in this field has been a great savings to the city, allowing the city to gain additional meters in phase 1.

8. EVALUATION PROCESS: In August of 2008, Council awarded agreement MS8-936-2599 for water meter installation, repair, and consulting to H D Supply Waterworks, LTD. The contract was for one year and had provisions to extend for an additional four years due to the complexity of the type of field issues that can arise from this kind of work. The contractor has provided excellent service and is willing to extend for an additional year at the same rates. The contractor was originally selected through a Request for Proposal, which considered award criteria including: prior cities experience regarding citizens complaints, ease of electronically transferring large number of meters into the billing system timely, landscaping correction concerns, leak repairs and timely response to issues that arise. We also evaluated their "extra" charges due to the uncertainty of what is discovered once the old meter is removed and plumbing issues arise. This type of project can have many cost overruns. There were none with the present contractor.

9. FINANCIAL IMPLICATIONS:

Cost: \$650,000
Savings: N/A
Long Term Cost: N/A

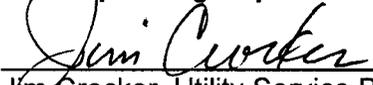
Fund Source:

| Account Name | Fund Name | Program Name | CIP Funded | Funds |
|--------------------|-----------------|--------------------|------------|-----------|
| 605.3800.0000.5872 | Water Operating | Replacement Meters | Non-CIP | \$650,000 |

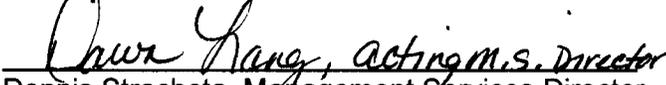
10. PROPOSED MOTION: Move that Council approves Amendment One extending agreement MS8-936-2599 from the Water Operating Fund, Water Distribution, Replacement Meters account for water meter installation, repair, and consulting to H D Supply Waterworks, LTD, in an amount not to exceed \$650,000.

APPROVALS

11. Requesting Department


Jim Crocker, Utility Service Business Manager

12. Department Head


Dennis Strachota, Management Services Director

13. Procurement Officer


Mike Mapdt, CPPB

14. City Manager


W. Mark Pentz

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND HD SUPPLY WATERWORKS, LTD. FOR WATER METER INSTALLATION, REPAIR
AND CONSULTING
AGREEMENT No. MS8-936-2599

This Amendment # One to the Agreement Between the City Of Chandler (CITY) and HD Supply Waterworks, LTD. (CONTRACTOR) for Water Meter Installation, Repair and Consulting dated August 21, 2008, ("AGREEMENT") is entered into this ____ day of _____, 2009.

WHEREAS, the Agreement expires August 31, 2009;

NOW THEREFORE, the parties agree as follows:

1. Section 5.1 Term, of the AGREEMENT is hereby amended to extend the Agreement one year through August 31, 2010.
2. Section 2.4 of the AGREEMENT, Compliance with Applicable Laws, is hereby amended to add the following language:
 - 2.4.1 Pursuant to the provisions of A.R.S. § 41-4401, the Contractor hereby warrants to the City that the Contractor and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty"). Attached "Contractor Immigration Warranty" documents shall be incorporated as Exhibit C of the AGREEMENT.
 - 2.4.2 A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.
 - 2.4.3. The City retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. The Contractor agrees to assist the City in the conduct of any such inspections.
 - 2.4.4. The City may, at its sole discretion, conduct random verifications of the employment records of the Contractor and any Subcontractors to ensure compliance with Contractors Immigration Warranty. The Contractor agrees to assist the City in performing any such random verifications.
 - 2.4.5. The provisions of this Article must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

- 2.4.6. In accordance with A.R.S. §35-393.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Iran.
- 2.4.7. In accordance with A.R.S. §35-391.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Sudan.
3. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this _____ day of _____, 2009.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By:  _____
Title: _____

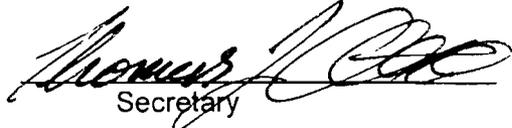
Craig Freeman-District Manager

APPROVED AS TO FORM:

City Attorney 

ATTEST:

City Clerk

ATTEST: (If corporation)

Secretary

WITNESS: (If individual or Partnership)

[SEAL]

EXHIBIT C

**Contractor Immigration Warranty
To Be Completed by Contractor Prior to Execution of Contract**

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

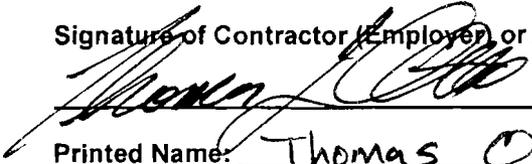
By completing and signing this form the contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

| | | |
|--|---------------|------------------|
| Contract Number: | | |
| Name (as listed in the contract): | | |
| Street Name and Number: | | |
| City: | State: | Zip Code: |

I hereby attest that:

1. The contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this contract;
2. All subcontractors performing work under this contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.

Signature of Contractor (Employer) or Authorized Designee:



Printed Name: Thomas Otto

Title: Municipal Sales

Date (month/day/year): 6/1/09