



# Staff Report

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Agenda Item:           **A RESOLUTION OF THE TOWN OF CLARKDALE INCREASING THE PROJECT LIMIT UNDER THE MOHAVE JOB ORDER CONTRACT (JOC), FOR THE LOWER TOWN WATER MAIN REPLACEMENT PROJECT (LTWMRP), TO ONE MILLION SIX HUNDRED THOUSAND DOLLARS (\$1,600,000.00)**– Discussion and consideration of Resolution #1346, a resolution increasing the project limit under the Mohave Job Order Contract (JOC), for the Lower Town Water Main Replacement Project (LTWMRP), to one million six hundred thousand dollars (\$1,600,000.00).

Meeting Date:           8/31/2010

Prepared By:           Wayne Debrosky, Utilities Director

Background:           Arizona Revised Statutes 34-605 sets a one million (\$1,000,000) dollar job-order-contracting limit, but provides for an “agent”, by following public meeting procedures, to establish a higher or lower limit per job order.

34-605. Requirements applicable to construction services and professional services and to contracts for construction services and professional services; definition

*F. For job-order-contracting construction services only:  
1. The maximum dollar amount of an individual job order shall be one million dollars or such higher or lower amount prescribed by the agent in an action noticed pursuant to title 38, chapter 3, article 3.1 or a rule adopted by the agent as the maximum amount of an individual job order. Requirements shall not be artificially divided or fragmented in order to constitute a job order that satisfies this requirement.*

On August 9, 2010 Parsons, under the Mohave Job-Order-Contract, submitted a scope of work, bid tab, and a cost estimate of \$1,383,499.91 for the Lower Town Water Main Replacement Project (LTWMRP) to upgrade water mains and appurtenances. A contingency line of \$138,350.00 or 10% of the project cost would bring the project total to \$1,521,849.91.

Since the purchase order for Parsons is above the \$1,000,000 limit, a Resolution increasing the project limit under the Mohave Job Order Contract (JOC), for the Lower Town Water Main Replacement Project (LTWMRP), not to exceed \$1,600,000.00 needs to be completed prior to acceptance of the purchase order.

Recommendation:    Approval of Resolution #1346, Resolution increasing the project limit under the Mohave Job Order Contract (JOC), for the Lower Town Water Main Replacement Project (LTWMRP), to one million six hundred thousand dollars (\$1,600,000.00).

## RESOLUTION #1346

**A RESOLUTION OF THE TOWN OF CLARKDALE INCREASING THE PROJECT LIMIT UNDER THE MOHAVE JOB ORDER CONTRACT (JOC), FOR THE LOWER TOWN WATER MAIN REPLACEMENT PROJECT (LTWMP), TO ONE MILLION SIX HUNDRED THOUSAND DOLLARS (\$1,600,000.00).**

**WHEREAS**, On August 11, 2009 the Town Council approved a proposal from Wildan Engineering to design water system infrastructure upgrades for Lower Town in the Town of Clarkdale; and

**WHEREAS**, These improvements would reduce service outages, reduce water loss through system leaks, and improve fire protection for Lower Town; and

**WHEREAS**, On August 9, 2010 Parsons, under the Mojave Job-Order-Contract, submitted a scope of work, bid tab, and a cost estimate of \$1,383,396.00 for the Lower Town Water Main Replacement Project (LTWMP) to upgrade water mains and appurtenances. A contingency line of \$138,340.00 or 10% of the project cost would bring the project total to \$1,521,736.00; and

**WHEREAS**, Arizona Revised Statutes 34-605 sets a one million dollar (\$1,000,000) job-order-contracting limit, but provides for an "agent", by following public meeting procedures, to establish a higher or lower limit per job order.

**NOW, THEREFORE BE IT RESOLVED** by the Town of Clarkdale Council that the one million dollar (\$1,000,000) job-order-contracting project limit under the Mohave Job Order Contract (JOC) for the Lower Town Water Main Replacement Project be increased to one million six hundred thousand dollars (\$1,600,000.00).

PASSED AND ADOPTED by the Mayor and Council of the Town of Clarkdale, Arizona, this 31<sup>st</sup> day of August, 2010.

ATTEST:

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Doug Von Gausig, Mayor

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Kathy Bainbridge, Town Clerk

APPROVED AS TO FORM:

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Robert Pecharich, Town Attorney