

Staff Summary Report



Council Meeting Date: 12/11/08

Agenda Item Number: _____

SUBJECT: Request approval of job order no. 2 with Caliente Construction, Inc. and a project contingency for improvements to supervisory control and data acquisition (SCADA) systems at various remote telemetry units.

DOCUMENT NAME: 20081211PWDR06 WATER MANAGEMENT ADMINISTRATION (0811-13) PROJECT NO. 3202031

SUPPORTING DOCS: Yes.

COMMENTS: Total amount for job order no. 2 is \$679,664 and the project contingency is \$35,000.

PREPARED BY: Donna Rygiel, Engineering Contract Administrator (x8520)

REVIEWED BY: Andy Goh, Deputy PW Manager/City Engineer (x8896)
Don Hawkes, Water Utilities Manager (x2660)

APPROVED BY: Glenn Kephart, Public Works Manager (x8205)

LEGAL REVIEW BY: Judi Morgan, Assistant City Attorney (x8227)

FISCAL NOTE: Sufficient funds are available in Capital Improvement Fund No. 3202031.

RECOMMENDATION: Approve job order no. 2 with Caliente Construction, Inc., in the amount of \$679,664, through the existing job order contract no. C2008-137, and approve a project contingency of \$35,000.

ADDITIONAL INFO: The scope of work for this job order is for phase one of the replacement of SCADA systems that have been in use for 20 years. The original functionality is no longer sufficient, they are no longer supported by the hardware supplier, and spare parts are not available. There are 8 remote telemetry units in phase one of this project including wells, reservoir sites, sanitary sewer metering stations and wastewater pump stations.

The project contingency has been established at \$35,000, which is approximately five percent (5%) of the job order amount, to cover possible unforeseen conditions during construction.

Staff has reviewed the proposal from Caliente Construction, Inc. and found it to be in order. Caliente is one of three contractors previously selected through a qualifications based process consistent with A.R.S. §§ 34-601 through 611 for job order general construction services.

CITY OF TEMPE, ARIZONA
PUBLIC WORKS DEPARTMENT
DIVISION OF ENGINEERING

JOB ORDER NO. 2 TO CALIENTE CONSTRUCTION, INC.
THROUGH EXISTING CONTRACT NO. C2008-137

REMOTE SITE SCADA SYSTEM REPLACEMENT

PROJECT NO. 3202031

This JOB ORDER No. 2 is entered into on this 11th day of December, 2008, to Caliente Construction, Inc. (“**JOC CONTRACTOR**”) through the existing Contract made and entered into by and between the parties on July 22, 2008, (Contract No. C2008-137).

ARTICLE I – DESCRIPTION OF WORK, CONTRACT PRICE AND WORK

LOCATION: The JOC Contractor shall furnish any and all plant, materials, labor, construction equipment, services and transportation (all applicable taxes included) required for performing all work for the construction of the Remote Site SCADA System Replacement (Project No. 3202031) (“**Project**”) for the sum of Six Hundred Seventy Nine Thousand Six Hundred Sixty Four and 00/100 Dollars (\$679,664.00), as detailed in the Proposal (Exhibit “A”), and to completely and totally construct the same and install the materials therein for the Project, in a good and workmanlike and substantial manner and to the satisfaction of the City or its properly authorized agents and strictly pursuant to and in conformity with the Specifications and Plans for the Project and other documents that may be requested by the City through the Engineer or other properly authorized agents, as provided herein. The full street or physical address of the construction work location (“**Work Location**”) is various locations throughout the city. The JOC Contractor shall list the Work Location in any subcontract related to this job order at any level and each subcontractor shall likewise include the Work Location in any of its subcontracts.

ARTICLE II – REQUIRED SUBMITTALS: The JOC Contractor shall submit the completed forms referenced in the Forms Appendix (Exhibit “B”) to the City for approval, prior

to receipt of a Notice to Proceed issued by the City for the Project.

ARTICLE III – AMENDMENT: This Job Order No. 2 is entered into pursuant to the City of Tempe Contract No. C2008-137, and the terms and conditions contained in Contract No. C2008-137 and all exhibits attached to the Contract and to this Job Order No. 2 are by this reference incorporated into this Job Order No. 2. All provisions of the underlying Contract where not inconsistent with this Job Order No. 2 shall remain binding on the parties.

ARTICLE IV – CONTRACT TERM: Work shall start as soon as practicable, and in no case later than seven (7) calendar days after the Notice to Proceed is issued by the City, and shall be completed within three hundred sixty (360) calendar days thereafter.

ARTICLE V – LEGAL COMPLIANCE: Contractor agrees and covenants that it will comply with any and all applicable governmental restrictions, regulations and rules of duly constituted authorities having jurisdiction insofar as the performance of the work and services pursuant to the Contract, and all applicable safety and employment laws, rules and regulations, including but not limited to, the Fair Labor Standards Act, the Walsh-Healey Act, Arizona Executive Order No. 99-4, and the Arizona Fair and Legal Employment Act, along with all laws, rules and regulations attendant thereto. Contractor acknowledges that a breach of this warranty is a material breach of this Contract and Contractor is subject to penalties for violation(s) of this provision, including termination of this Contract. City retains the right to inspect the documents of any and all contractors, subcontractors and sub-subcontractors performing work and/or services relating to the Contract to ensure compliance with this warranty. Any and all costs associated with City inspection are the sole responsibility of Contractor. Contractor hereby agrees to indemnify, defend and hold City harmless for, from and against all losses and liabilities arising from any and all violations thereof.

[SIGNATURE PAGE FOLLOWS]

Remote Site SCADA System Replacement
Project No. 3202031

The JOC Contractor warrants that the person who is signing this Job Order on behalf of the JOC Contractor is authorized to do so and to execute all other documents necessary to carry out the terms of this Job Order.

DATED this _____ day of _____, 2008.

CITY OF TEMPE, ARIZONA

By: _____
Mayor

By: _____
Public Works Manager

ATTEST:

Recommended by:

City Clerk

Deputy PW Manager/City Engineer

APPROVED AS TO FORM:

City Attorney

DATED this _____ day of _____, 2008.

CALIENTE CONSTRUCTION, INC.

By: _____
Name

Its: _____
Title

Federal I.D. No./Social Security No.

Certified to be a true and exact copy.

Karen M. Fillmore
Records Specialist

EXHIBIT B

FORMS APPENDIX

The following forms shall be completed and submitted with each Job Order.

LIST OF SUBCONTRACTORS SB-1
STATUTORY PERFORMANCE BONDB-1
STATUTORY PAYMENT BOND.....B-3

STATUTORY PERFORMANCE BOND PURSUANT TO TITLE 34,
CHAPTER 6, OF THE ARIZONA REVISED STATUTES
(Penalty of this bond must be 100% of the Contract amount)

KNOW ALL MEN BY THESE PRESENTS:

That, _____ (hereinafter called the Principal), as Principal and _____, a corporation organized and existing under the laws of the State of _____, with its principal office in the City of _____, (hereinafter called the Surety), are held and firmly bound unto _____ (hereinafter called the Obligee) in the amount of _____ Dollars (\$ _____), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the Obligee, dated the 11th day of December, 2008, to complete Project No. 3202031, which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, the condition of this obligation is such, that if the said Principal shall faithfully perform and fulfill all the undertakings, covenants, terms, conditions and agreements of said Contract during the original term of said contract and any extension thereof, with or without notice to the Surety, and during the life of any guaranty required under the Contract, and shall also perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the Surety being hereby waived; then the above obligation shall be void, otherwise to remain in full force and effect.

Provided, however, that this bond is executed pursuant to the provisions of Title 34, Chapter 6, of the Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions of said Title and Chapter, to the extent as if it were copied at length herein.

The prevailing party in a suit on this bond shall recover as part of the judgment reasonable attorney fees that may be fixed by the Court. The performance under this bond is limited to the construction to be performed under this contract and does not include any design services, preconstruction services, finance services, maintenance services, operations services or any other related services included in the contract.

Dated this ____ day of _____, 2008.

PRINCIPAL SEAL

BY: _____

**

SURETY SEAL

BY: _____

AGENCY ADDRESS

** Surety hereby acknowledges they are licensed to do business in the State of Arizona **

STATUTORY PAYMENT BOND PURSUANT TO TITLE 34,
CHAPTER 6, OF THE ARIZONA REVISED STATUTES
(Penalty of this bond must be 100% of the Contract amount)

KNOW ALL MEN BY THESE PRESENTS:

That, _____ (hereinafter called the Principal), as Principal and _____, a corporation organized and existing under the laws of the State of _____, with its principal office in the City of _____, (hereinafter called the Surety), as held and firmly bound unto _____ (hereinafter called the Obligee) in the amount of _____ Dollars (\$ _____), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the Obligee, dated the 11th day of December, 2008, to complete Project No. 3202031, which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall promptly pay all monies due to all persons supplying labor or materials to the principal or the principal's subcontractors in the prosecution of the construction provided for the contract, then this obligation shall be void, otherwise to remain in full force and effect;

PROVIDED, HOWEVER, that this bond is executed pursuant to Title 34, Chapter 6, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions, conditions and limitations of said Title and Chapter to the same extent as if it were copied at length in this Contract.

The prevailing party in a suit on this bond shall recover as a part of the judgment reasonable attorney fees that may be fixed by the Court.

Dated this _____ day of _____, 2008.

PRINCIPAL SEAL

BY: _____

**

SURETY SEAL

BY: _____

AGENCY ADDRESS

** Surety hereby acknowledges they are licensed to do business in the State of Arizona **

**CITY OF TEMPE
TEMPE, ARIZONA
DEPARTMENT OF PUBLIC WORKS**

**JOC CONTRACTOR'S AFFIDAVIT
REGARDING
SETTLEMENT OF CLAIMS**

_____,
Arizona

Date _____

**REMOTE SITE SCADA SYSTEM REPLACEMENT
PROJECT NO. 3202031**

To the City of Tempe, Arizona

This is to certify that all lawful claims for materials, rental of equipment and labor used in connection with the construction of the above project, whether by subcontractor or claimant in person, have been duly discharged or will be discharged after receipt of the final payment from the City of Tempe for the above project.

The undersigned, for the consideration of \$_____, as set out in the final pay estimate, as full and complete payment under the terms of the contract, hereby waives and relinquishes any and all further claims or right of lien under, in connection with, or as a result of the above described project against the City of Tempe. The undersigned further agrees to defend, indemnify and save harmless the City of Tempe against any and all liens, claims of liens, suits, actions, damages, charges and expenses whatsoever, which said City may suffer arising out of the failure of the undersigned to pay for all labor performances, materials, and/or equipment furnished for the performance of said installation.

Signed and dated at _____ this _____ day of _____, 2008.

Job Order Contractor

By: _____

STATE OF ARIZONA)
) ss
COUNTY OF MARICOPA)

The foregoing instrument was subscribed and sworn to before me this ____ day of _____, 2008.

Notary Public

[Seal]