

Staff Summary Report



Council Meeting Date: 10/16/08

Agenda Item Number: _____

SUBJECT: Request award of a professional services design contract with CSA Engineering for water line upgrades and replacement along Margo and Geneva Drives.

DOCUMENT NAME: 20081016PWDR02 WATERMAIN UPGRADES (0810-04)
PROJECT NO. 3209331

SUPPORTING DOCS: Yes.

COMMENTS: Total cost for this contract shall not exceed \$47,372.

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

REVIEWED BY: Andy Goh, Deputy PW Manager/City Engineer (x8896)

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

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

FISCAL NOTE: Sufficient funds are available in the Water Utilities Department Capital Improvement Fund No. 32.

RECOMMENDATION: Award professional services contract.

ADDITIONAL INFO: The scope of work for this contract includes preparation of plans and specifications, and other design and post design services for the construction of approximately 2,500 feet of 8-inch water lines along Margo and Geneva Drives between Fairmont and Hardy Drives. The existing 6-inch, cast iron water line will be replaced with an 8-inch water line to increase water supply/fire flow to this industrial area. New fire hydrants, gate valves, on-site fire suppression connections and service meters will be included in this work.

The contract amount was negotiated by staff and is considered reasonable for the scope of services. CSA Engineering was selected through a qualifications based process consistent with A.R.S. § 34-601-611.



CITY OF TEMPE, ARIZONA
PUBLIC WORKS DEPARTMENT
DIVISION OF ENGINEERING

CONTRACT FOR PROFESSIONAL SERVICES

This Contract is made and entered into on the 16th day of October, 2008, by and between the City of Tempe, a municipal corporation ("City"), and CSA Engineering, Inc., an Arizona corporation ("Consultant").

The City engages the Consultant to perform professional services for a project known and described as Water Line Upgrade/Replacement – Margo and Geneva Drives, Project No. 3209331 ("Project").

1. SERVICES OF THE CONSULTANT

Consultant shall perform the following professional services to City in conformance with applicable professional standards and in accordance with the degree of care and skill that a registered professional in Arizona would exercise under similar conditions:

- 1.1. Consultant shall prepare plans and specifications, and provide other design and post design services for the construction of approximately 2,500 feet of 8-inch water line in Margo and Geneva Drives between Fairmont and Hardy Drives, as described in Exhibit "A" attached.
- 1.2. Consultant has assigned Peter Chan as the Project Manager for this Contract. Prior written approval by the City is required in the event the Consultant needs to change the Project Manager. Consultant shall submit the qualifications of the proposed substituted personnel to the City for approval prior to any substitution or change.
- 1.3. Consultant shall prepare and submit a detailed opinion of probable cost of the project.
- 1.4. Consultant shall follow and comply with the Public Improvement Project Guide as directed by the City.
- 1.5. Consultant shall prepare plans and technical specifications per the requirements of the applicable chapters of the City's Engineering Design Criteria Manual, latest revision, and the Maricopa Association of Governments (MAG) Uniform Standard Details for Public Works Construction as amended by the City. All plans shall be prepared on CAD as required by the City. Final plans shall be submitted on 3 ml double matte black line mylar and shall be 24" x 36" in size.

- 1.6. Consultant shall submit all final construction documents in both hard copy and electronic format. Plans shall be MicroStation or AutoCAD compatible and all other documents shall be Microsoft Office compatible. The software version used shall be compatible to current City standards. Other support documents, for example, structural calculations, drainage reports and geotechnical reports, shall be submitted in hard copy only.
- 1.7. Consultant shall obtain all necessary permits required for the performance of its work. Failure of Consultant to obtain said permits prior to the commencement of its work shall constitute a default of this Contract.
- 1.8. Consultant shall perform the work in a manner and at times which do not impede or delay the City's operations and/or functions.
- 1.9. Consultant shall be solely responsible for any repair, replacement, remediation and/or clean-up of any damage done by Consultant including any impairment of access to City or other lawful invitees, by such work performed on this Project.

2. TERM OF CONTRACT

Consultant shall complete all services within 365 calendar days of the date appearing on the "Notice to Proceed" issued by the City. In the event delays are experienced beyond the control of the Consultant, the schedule may be revised as determined by the City in its sole discretion.

3. CONSULTANT'S COMPENSATION

- 3.1. The method of payment for this Contract is payment by installments. Total compensation for the services performed shall not exceed \$47,372.00, unless otherwise authorized by the City. This fee includes the sum of \$28,690.00 for engineering design services; an amount not to exceed \$9,882.00 for design services during construction based on hourly rates established in the attached Exhibit "A"; an allowance of \$8,000.00 for permit fees and potholing; and an allowance of \$800.00 for reimbursable expenses, which in no event will ever be more than actual cost.
- 3.2. City shall pay the Consultant in installments based upon monthly progress reports and detailed invoices submitted by the Consultant subject to the following limitations:
 - 3.2.1. Prior to approval of the preliminary design (40% plans), payments to the Consultants shall not exceed 40 % of the total Contract amount.
 - 3.2.2. Prior to approval of the final design documents, payments to the Consultants shall not exceed 90 % of the total Contract amount. The final approval and payment will be made within a reasonable period of time regardless of the project construction schedule.

3.2.3. Payment for reimbursable expenses shall be made during all phases based on actual expenses.

3.3. City at its discretion may, by written notification, waive the above limitations.

3.4. City shall make payments to the Consultant within thirty (30) days after receipt of the progress report and detailed invoice.

4. CITY'S RESPONSIBILITIES

4.1. City shall designate a project manager during the term of this Contract. The project manager has the authority to administer this Contract and shall monitor compliance with all terms and conditions stated herein. All requests for information from or a decision by the City on any aspect of the work shall be directed to the project manager.

4.2. City shall review requests for information related to the Project by the Consultant and will endeavor to provide a prompt response to minimize delay in the progress of the Consultant's work. City will also endeavor to keep the Consultant advised concerning the progress of the City's review of the work. Consultant agrees that the City's inspection, review, acceptance or approval of Consultant's work shall not relieve Consultant of its responsibility for errors or omissions of the Consultant or its subconsultant(s).

4.3. Unless included in the Consultant's services as identified in Section 1, the City may furnish with or without charge, upon the Consultant's reasonable request, the following information to the extent it is within the City's possession for control:

4.3.1. One copy of its maps, records, laboratory tests, survey ties, and benchmarks, or other data pertinent to the services. However, the Consultant shall be solely responsible for searching the records and requesting specific drawings or information and independently verifying said information.

4.3.2. Available City data relative to policies, regulations, standards, criteria, studies, etc., relevant to the Project.

4.3.3. When required, title searches, legal descriptions, detailed ALTA Surveys, and environmental assessments.

5. TERMINATION AND DEFAULT

5.1. City shall be entitled to terminate this Contract at any time, in its discretion. In addition, the City may terminate this Contract for default, non-performance, breach or convenience, or abandon any portion of the Project for which services

have not been fully or properly performed by the Consultant. Termination shall be commenced by delivery of written notice delivered to Consultant, personally or by certified mail at 4535 E. Broadway Road, Phoenix, AZ 85040. Termination shall be effective upon fourteen (14) days of delivery of notice to Consultant. In addition, this Contract may be terminated pursuant to A.R.S. § 38-511.

- 5.2. Upon the occurrence of Consultant's default, non-performance or breach of the Contract, City may recover any and all damages permitted by law or in equity against Consultant, in addition to termination of the Contract, including but not limited to compensatory damages, together with all costs and expenses as set forth in Section 12 herein.
- 5.3. Immediately after receiving such notice, the Consultant shall discontinue advancing the services under this Contract and proceed to close said operations under this Contract. Consultant shall appraise the services it has completed and submit a detailed appraisal to the City for evaluation. City shall have the right to inspect the Consultant's work to analyze and appraise the services completed. Payment to Consultant shall be determined by City upon approval or disapproval of the services completed as of the date of delivery of notice of termination.
- 5.4. Within ten (10) days of receipt of notice of termination as set forth herein, the Consultant shall deliver to the City all drawings, special provisions, field survey notes, reports, estimates and any and all other documents or work product generated by the Consultant under the Contract, entirely or partially completed, together with all unused materials supplied by the City.
- 5.5. In the event of such termination or abandonment, the Consultant shall be paid only for those services performed in a good and workmanlike manner, in accordance with all plans, specifications and governmental requirements completed prior to receipt of said notice of termination, subject to approval by City. To the extent permitted by this Contract, such payment may include reimbursable expenses then incurred by Consultant, in City's sole discretion.
- 5.6. If the remuneration scheduled hereunder is based upon a fixed fee or definitely ascertainable sum, the portion of such sum payable shall be proportionate to the percentage of services completed by the Consultant as approved by the City based upon the scope of work set forth in Exhibit "A" as determined by the City. However, in no event shall the fee exceed that set forth in Section 3 of this Contract.
- 5.7. City shall make a determination as to approval or denial of any requested final payment within sixty (60) days after the Consultant has delivered the last of the completed items and the final appraisal has been submitted to the City.

6. INSURANCE

Without limiting any obligations or liabilities, the Consultant, at its sole expense, shall purchase and maintain the minimum insurance specified below with companies duly licensed or otherwise approved by the State of Arizona, Department of Insurance, and with forms reasonably satisfactory to the City. Each insurer shall have a current A.M. Best Company, Inc. rating of not less than A-VII. Use of alternative insurers requires prior approval from the City.

6.1. General Clauses

- 6.1.1. Additional Insured. The insurance coverage, except workers' compensation and professional liability, required by this Contract, shall name the City, its agents, representatives, directors, officials, and employees, as additional insured, and shall specify that insurance afforded the Consultant shall be primary insurance, and that any self insured retention and/or insurance coverage carried by the City or its employees shall be excess coverage, and not contributory coverage to that provided by the Consultant.
- 6.1.2. Coverage Term. All insurance required herein shall be maintained in full force and effect until services required to be performed under the terms of this Contract are satisfactorily completed and formally accepted; failure to do so shall constitute a material breach of this Contract.
- 6.1.3. Primary Coverage. Consultant's insurance shall be primary insurance as respects the City, and any insurance or self insurance maintained by the City shall be in excess of the Consultant's insurance and shall not contribute to it.
- 6.1.4. Claim Reporting. Consultant shall not fail to comply with the claim reporting provisions of the policies or cause any breach of a policy warranty that would affect coverage afforded under the policy to protect the City.
- 6.1.5. Waiver. The policies for workers' compensation and general liability shall contain a waiver of transfer rights of recovery (subrogation) against the City, its agents, representatives, directors, officers, and employees for any claims arising out of the work of the Consultant.
- 6.1.6. Deductible/Retention. The policies may provide coverage, which contains deductibles or self-insured retentions. Such deductible or self-insured retentions shall not be applicable with respect to the coverage provided to the City under such policies. Consultant shall be solely responsible for deductible or self-insured retentions and the City may require the Consultant to secure the payment of such deductible or self-insured

retentions by a surety bond or an irrevocable and unconditional letter of credit.

6.1.7. Policies and Endorsements. City reserves the right to request and to receive, within ten (10) working days, information on any or all of the above policies or endorsements.

6.1.8. Certificates of Insurance. Prior to commencing services under this Contract, Consultant shall furnish the City with certificates of insurance, or formal endorsements as required by the Contract, issued by Consultant's insurer(s), as evidence that policies providing the required coverages, conditions, and limits required by this Contract are in full force and effect. Such certificates shall identify this Contract by referencing the project number and/or project name and shall provide for not less than thirty (30) days advance written notice by certified mail to City of cancellation or termination of insurance.

6.1.9. Subconsultants/Contractors. Consultant shall include all subconsultants and subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subconsultant and subcontractor.

6.2. Workers' Compensation. Consultant shall carry workers' compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Consultant's employees engaged in the performance of the services; and employer's liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

In case services under this Contract are subcontracted, the Consultant shall require all subconsultant(s) to provide workers' compensation and employer's liability to at least the same extent as provided by the Consultant.

6.3. Automobile Liability. Consultant shall carry commercial/business automobile liability insurance with a combined single limit for bodily injury and property damages of not less than \$1,000,000 each occurrence regarding any owned, hired, and non-owned vehicles assigned to or used in performance of the Consultant services. Coverage will be at least as broad as coverage Code 1 "any auto" (Insurance Service Office policy form CA 0001 1/87 or any replacements thereof). Such coverage shall include coverage for loading and unloading hazards.

6.4. Commercial General Liability. Consultant shall carry commercial general liability insurance with a combined single limit of not less than \$1,000,000. The policy shall be primary and include coverage for bodily injury, property damage, personal injury, products, completed operations, and blanket contractual covering, but not limited to, the liability assumed under the indemnification provisions of

this Contract, which coverage will be at least as broad as Insurance Service Office policy form CG 0002 1-11-88 or any replacement thereof.

In the event the general liability insurance policy is written on a “claims made” basis, coverage shall extend for two years past completion and acceptance of the services as evidenced by annual certificates of insurance.

Such policy shall contain a “severability of interests” provision (also known as “cross liability” and “separation of insured”).

- 6.5. Professional Liability. Consultant will maintain professional liability insurance covering errors and omissions arising out of the services performed by the Consultant or any person employed by it, with an unimpaired limit of not less than \$1,000,000 each claim and \$1,000,000 all claims, or 10% of the construction budget, whichever is larger. In the event the insurance policy is written on a “claims made” basis, coverage shall extend for two (2) years past completion and acceptance of services as evidenced by annual certificates of insurance.
- 6.6. Property Coverage – Valuable Papers. Consultant shall carry property coverage on all-risk, replacement cost, agreed amount form with valuable papers insurance sufficient to assure the restoration of any documents, memoranda, reports, or other similar data relating to the services of the Consultant used in the completion of this Contract.

7. HEALTH INSURANCE REQUIREMENTS

- 7.1. Consultant must certify that it has or will offer health insurance to all eligible employees working on services set forth in this Contract prior to the performance of any work or services. An affidavit certifying such offering must be signed in a form approved by the City. All required health insurance must be maintained during the entire time of the Contract with the City. Health insurance pursuant to this Section 7 is not required for temporary employees or students working part-time who are enrolled in a recognized educational institution.
- 7.2. The health insurance requirements herein shall apply to all of Consultant’s eligible employees directly involved with the services set forth in this Contract, including support and administrative personnel.
- 7.3. Any and all complaints concerning violations of the health insurance requirements shall be filed, in writing, with the City’s Public Works Department, within thirty (30) days from discovery of a potential violation. An administrative hearing will be held before the Public Works Manager, and a written decision of findings will be provided to the parties to the hearing within ten (10) days thereafter. Appeal from the decision of the Public Works Manager may be made within ten (10) days of the date of the decision by filing a notice of appeal in writing with the Public Works Department. If an appeal is timely filed, an administrative hearing will be

held before an administrative hearing officer appointed by the City Manager. The decision of the administrative hearing officer shall be final.

- 7.4. Penalties for failing to comply with this Section 7 include, but are not limited to the following: Consultant may be barred from bidding on, or entering into any Public Works contract with the City for a period of three (3) years from the execution of the contract.
- 7.5. All Consultants subject to the health insurance requirements shall post in English, notice of the health insurance requirements at their office and at the job site.

8. WORK FOR HIRE AND OWNERSHIP OF DELIVERABLES

- 8.1. Consultant shall ensure that all the results and proceeds of Consultant's and any and all work on the Project and any related projects, including that of all agents, employees, officers, and contractors, shall be owned by the City, including the copyright thereto, as work for hire. In the event, for any reason, such results and proceeds are not deemed work for hire, Consultant shall be deemed hereby to have assigned to City all of its right, title and interest in such results and proceeds and content to City, without limitation.
- 8.2. All work products (electronically or manually generated), including but not limited to plans, specifications, cost estimates, tracings, studies, design analyses, original mylar drawings, computer aided drafting and design (CADD) file diskettes which reflect all final drawings, and other related products which are prepared in the performance of this Contract, are the property of the City and are to be delivered to the City on the particular type of storage media on which they are stored (e.g. CD, thumb drive, etc.) before the final payment is made to the Consultant. City shall retain ownership of these original works. If approved in writing by the City, the Consultant may retain the originals and supply the City with reproducible copies of the work.

9. CONFLICT OF INTEREST

- 9.1. Consultant agrees to promptly disclose any and all financial and/or economic interest in the property, or any property affected by the work, or the Project itself other than as set forth herein, existing prior to the execution of this Contract. Further, the Consultant agrees to promptly disclose any financial or economic interest in the Project property or any property affected by the work, if the Consultant gains such interest during the course of this Contract.
- 9.2. If the Consultant gains any financial or economic interest in the Project during the course of this Contract, this may be grounds for terminating this Contract at the sole discretion of the City.

- 9.3. Consultant shall not engage the services on this Contract of any present or former City employee who was involved as a decision-maker in the selection or approval processes, or who negotiated or approved billings or contract modifications for this Contract.
- 9.4. Consultant agrees that it shall not perform services on this Project for any other contractor, subcontractor, or any supplier, other than the City. In addition, Consultant shall not negotiate, contract, or make any agreement with a contractor, subcontractor, or any supplier with regard to any of the work under this Contract, or any services, equipment or facilities to be used on this Project other than with the City.

10. COVENANT AGAINST CONTINGENT FEES

Consultant affirms that it has not employed or retained any company or person, other than a bona fide employee working for the Consultant, to solicit or secure this Contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of the Contract. For breach or violation of this clause, the City may terminate this Contract without liability, or in its discretion may deduct from the Contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage brokerage fee, gift, or contingent fee.

11. INDEMNIFICATION

To the fullest extent permitted by law, Consultant shall defend, indemnify and hold harmless the City, its agents, officers, officials, and employees from and against all claims, damages, losses, liability and/or expenses, relating to, arising out of, or alleged to have resulted from the negligent acts, errors, mistakes or omissions in the work, services, or professional services of Consultant, its agents, employees, or any other person for whose negligent acts, errors, mistakes or omissions in the work, services, or professional services the Consultant may be deemed legally liable in the performance of this Contract, or any breach of the Contract. Consultant's duty herein shall arise in connection with any and all claims for damage, loss, liability and/or expenses attributable to bodily injury, sickness, disease, death, or injury to, impairment or destruction of any person or property including loss of use resulting therefrom. The amount and type of insurance coverage requirement set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

12. DISPUTE RESOLUTION

In the event of a dispute concerning or in any way connected to the Contract or subject Project, the parties agree that the unsuccessful party shall pay to the prevailing party a reasonable sum for attorneys' fees, including taxable and non-taxable costs, fees, costs and disbursements of experts, professionals, paralegals, whether at trial, appeal and/or in bankruptcy court, all of which will be deemed to have accrued on the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment. In addition, should the City retain and/or utilize

legal counsel as a result of a breach by Consultant of any term, covenant or provision of this Contract, in addition to paying any recovery owed to City and/or performing any obligation remaining to be performed, in order to fully cure such breach or default, Consultant shall reimburse the City for reasonable attorneys' fees, taxable and non-taxable costs and disbursements, incurred by the City in enforcing the Consultant's obligations, whether or not a legal action is commenced, including but not limited to the cost of preparing and presenting default notices, demand letters and similar non-judicial enforcement activities.

13. ADDITIONAL SERVICES

Additional services which are outside the scope of basic services contained in this Contract shall not be performed by the Consultant without prior written authorization from the City, at the City's sole discretion. Additional services, when authorized by an executed contract or an amendment to this Contract shall be compensated for by a fee mutually agreed upon between the City and the Consultant.

14. PROHIBITION ON ASSIGNMENT

This Contract and all duties and obligations of Consultant set forth in this Contract shall not be assignable except by prior written consent of the City, and such prohibition shall extend to and be binding upon the heirs, executors, administrators, successors, and assigns of the Consultant.

15. MISCELLANEOUS PROVISIONS

15.1. Equal Opportunity. Consultant covenants for itself, its employees, agents, assigns and all persons claiming under or through it, that it shall comply with all applicable federal, state, and local laws and ordinances at the time of execution of this Contract and shall not discriminate against or segregate any person or group of persons any person on account of race, color, religion, gender, marital status, sexual orientation, national origin, ancestry, age, physical handicap or medical condition in the performance of this Contract and shall comply with the terms and intent of all applicable federal, state and local governance concerning nondiscrimination.

15.2. Legal Compliance. Consultant 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. Consultant acknowledges that a breach of this warranty is a material breach of this Contract and Consultant 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 Consultants, subconsultants and sub-subconsultants 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 Consultant. Consultant hereby agrees to indemnify, defend and hold City harmless for, from and against all losses and liabilities arising from any and all violations thereof.

- 15.3. Specially Designated Nationals and Blocked Persons List. Consultant represents and warrants to City that neither Consultant nor any affiliate or representative of Consultant (i) is listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Asset Control, Department of the Treasury (OFAC) pursuant to Executive Order No. 13224, 66 Fed.Reg. 49079 (“Order”); (ii) is listed on any other list of terrorists or terrorist organizations maintained pursuant to the Order, the rules and regulations of OFAC or any other applicable requirements contained in any enabling legislation or other related Order(s); (iii) is engaged in activities prohibited in the Order; or (iv) has been convicted, pleaded *nolo contendere*, indicted, arraigned or custodially detained on charges involving money laundering or predicate crimes to money laundering.

Consultant further agrees to include the provisions set forth in Sections 15.2 and 15.3 in any and all subcontracts hereunder. Any violation of such provisions shall constitute a material breach of this Contract.

- 15.4. Effective Date. This Contract shall be in full force and effect only when it has been approved by the City Council of the City of Tempe, Arizona and when executed by the duly authorized City officials and the duly authorized agent of the Consultant.
- 15.5. Governing Law. This Contract shall be governed and interpreted by the laws of the State of Arizona.
- 15.6. Exhibits. All exhibits attached to this Contract are made a part of and are incorporated into, this Contract. If any inconsistencies exist between this Contract and any exhibit hereto, the terms of this Contract shall govern.
- 15.7. Force Majeure. Any prevention, delay or stoppage of this Project for a cause beyond the reasonable control of Consultant due to acts of God, acts of war or terrorism, fire or other casualty, shall, notwithstanding anything to the contrary contained herein, excuse the performance of Consultant, for a period equal to such prevention, delay or stoppage. For purposes of this Section 15.7, a cause shall not be deemed beyond a party’s control if it is within the control of such party’s agents, employees, assigns, contractors or subcontractors.
- 15.8. Entire Agreement. This Contract contains all of the agreements of the parties with respect to the Project and related matters, and no prior agreement, negotiations, postings, offerings, or understanding pertaining to any such matter shall be effective for any purpose unless expressly contained herein.

- 15.9. Consultant's Good Standing. Consultant hereby warrants and represents that it is an Arizona corporation, licensed to do business in the state of Arizona and currently in good standing, and that it is not now in violation of any agreement, instrument, contract, law, rule or regulation by which Consultant is bound.
- 15.10. Independent Contractor. Nothing contained in this Contract shall be deemed or construed by the parties hereto or otherwise, to create the relationship of principal and agent, partnership, joint venturer, employer and employee, or any association between City and Consultant. Consultant is an independent contractor and shall be solely responsible for any unemployment or disability insurance payments, or any social security, income tax or other withholdings, deductions or payments that may be required by federal, state or local law with respect to any compensation paid to the Consultant hereunder or for any and all services or materials provided by or rendered to Consultant hereunder in connection with the work set forth in this Contract.
- 15.11. Severability. If any provision of this Contract shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Contract shall not be affected thereby, and every other term and provision of this Contract shall be valid and enforceable to the fullest extent permitted by law.
- 15.12. Time is of the Essence. Time is of the essence in this Contract and each and every provision herein, except as may expressly be provided in writing by the City.
- 15.13. No Waiver. No breach or default hereunder shall be deemed to have been waived the City, except by a writing to that effect signed on behalf of the City. No waiver of any such breach or default shall operate as a waiver of any other succeeding or preceding breach or default or as a waiver of that breach or default after written notice thereof and demand by the City for strict performance of this Contract. Acceptance of partial or delinquent payments or performance shall not constitute the waiver of any right of the City.
- 15.14. Survival. Any and all representations, obligations, indemnities, warranties, covenants, conditions and agreements contained in this Contract which are expressed as surviving the expiration or earlier termination of this Contract, or by their nature, are to be performed, observed or survive, in whole or in part, after the termination or expiration of this Contract term, shall survive the termination or expiration of this Contract.
- 15.15. Retention of Records. City, through any authorized representative, will have access to and the right to examine and copy all records, books, papers or documents related to services rendered under this Contract. Consultant will retain all books and records related to the services performed for a period of not less

than the greater of any applicable federal law retention requirement or five (5) years following termination of this Contract.

15.16. Antitrust Violations. City and Consultant recognize that in actual economic practice overcharges resulting from antitrust violations are in fact borne by the City. Therefore, the Consultant assigns to the City any and all claims for such overcharges. Consultant in all subcontracts shall require all subcontractors to likewise assign all claims for overcharges to the City.

15.17. Headings. The heading use in this Contract is for ease of reference only and shall not in any way be construed to limit or alter the meaning of any provision.

15.18. No Construction Against Drafting Party. Each party acknowledges that it has had an opportunity to review the Contract with counsel, and such documents shall not be construed against any party that is determined to have been the drafter of the documents.

15.19. Notices to Parties:

All notices pursuant to this Contract shall be made in writing and delivered or mailed by certified mail to the parties at the following addresses:

CITY:

Andy Goh, City Engineer
City of Tempe
Public Works/Engineering Dept.
P.O. Box 5002
Tempe, AZ 85280

CONSULTANT:

Peter Chan
CSA Engineering, Inc.
4535 E. Broadway Road
Phoenix, AZ 85040

15.20. Liquidated Damages. City reserves the right to assess liquidated damages in the sum set forth below per calendar day for failure to comply with the conditions of the Contract, including but not limited to failure of the Consultant to complete the work and/or services by the time specified herein. This sum may be deducted from the Consultant's payment or anticipated payment for failure to deliver and/or perform as specified. No premium will be awarded to the Consultant for delivery and/or performance by the specified time. Permitting the Consultant to complete work and/or services pursuant to the Contract, or by extension thereof, shall in no way be deemed to waive or diminish the City's rights available by law or in equity, under the Contract.

15.21. Non-Appropriation of Funds. If funds appropriated by the City Council or otherwise allocated to perform the work become unavailable for payment by the City under this Contract, the City may delay the work for a period up to six (6) months, after which date if no funds are legally available, City may terminate the Contract at the City's sole option. In case of any such delay by City, Consultant

may suspend performance of work or services as applicable. However, nothing herein shall be construed to allow termination of the Contract by Consultant for such delay.

[SIGNATURE PAGE TO FOLLOW]

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

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

CONSULTANT
CSA Engineering, Inc.

Name

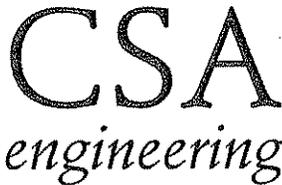
Title

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

Certified to be a true and exact copy.

Karen M. Fillmore
Records Specialist

EXHIBIT A



Engineers • Planners • Design Professionals

Exhibit A

Scope of Work

Water Main Replacement Project
S Margo & W Geneva

Scope of Work

Prepared by CSA Engineering (CSA)
July 30, 2008

General: This project involves the preparation of design plans for construction of water main replacement on S Margo Drive and W Geneva Drive. The project area is located within SW Section 28 in an area bounded by (ABB) W Southern Avenue & W Alameda Drive – S Priest Drive – S Hardy Drive. Below is a brief description of work tasks:

- | | |
|--------------------------------------|------------------------------|
| a. Topographical survey of roadway | 2,500 feet |
| b. New 8-inch waterline | 2,500 feet |
| c. Installation of new fire hydrants | Approx. 7 – to be determined |

Scope of work will include the following:

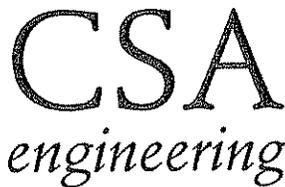
- Coordination with the City of Tempe (City)
- Perform topographical survey
- Replacement of water mains, services, fire taps, and hydrants
- Develop 40%, 90% and final sets of drawings
- Maricopa County Environmental Service Department review. Payment of MCESD fees will be done CSA
- The City will utilize a JOC contractor
- Traffic control and traffic control plans will be submitted by the JOC contractor

1. Project Management

CSA Engineering (CSA) will provide overall Project Management for the Project Team. Specific tasks under Project Management shall include the following:

Task 1.1 – Project Management and Progress Monitoring

CSA will monitor and track the Project budget and schedule to ensure that all deadlines are met and that the project budget is not exceeded. CSA will coordinate with the project team to address items



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such as Project schedule, Project budget, and current issues of concern. CSA will keep the City project manager informed as needed and will prepare monthly invoices. CSA will also monitor progress and coordinate the activities associated with this project.

Task 1.2 – Project Meetings

This task will consist of organizing, attending, and conducting project meetings. Meetings will include Design Review Meetings, and Project Team Meetings. CSA will prepare agendas, meetings notes and handouts, as required.

- Design Review Meetings – CSA will conduct design progress review meetings with the City after each progress submittal to communicate major issues and design features of the submittal prior to City review.
- The purpose of the review meeting is to present site plans, alignment, utility conflicts, service connections, and other key issues. The following items will be included in the review meetings:
 - Tie-in locations
 - Services
 - Hydrant placement
 - Utility conflict and/or relocation
 - Waterline alignment
- The Project Team will coordinate and submit design drawings to regulatory and permitting agencies, and utility companies, if required for the completion of the project design.

2. Topographic survey

The topographic survey will locate and identify roadway monumentation, pavement elevations at the centerline using an interval spacing of 50 feet and other pertinent above ground features such as driveways, fences, facade, mailboxes, sidewalks, edge of pavement, traffic signage, curb, gutter, above ground utility boxes, irrigation structures, poles, guys, hydrants, etc. The survey will also include location of plants and shrubs. Survey will NOT include landscape inventory indicating size and type of vegetation.

Horizontal controls will be based on survey benchmarks provided by the City.

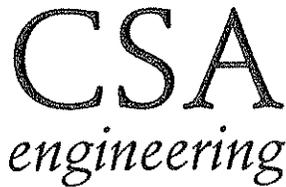
All survey work will be located within City of Tempe SW Sections 28. Survey will extend 5 feet beyond existing right-of-way along the following streets:

- S Margo Drive
- W Geneva Drive

Other tasks included in the base map will consist of the following:

- Rim and invert elevations of sewer manholes.
- Rim and nut elevations of water valves

Handwritten initials/signature
2/13



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- Show lot lines and property boundaries obtained from the City/County. Property boundaries shown are for illustration purposes and not for use as legal description
- Secure elevations on City of Tempe datum

Survey will NOT include any of the following items:

- Aerial photography
- Survey of individual property boundaries
- Legal description
- Temporary easements and payment of easement fees

Base mapping will be provided in AutoCAD.

Survey Linear Footage

SW Section 28

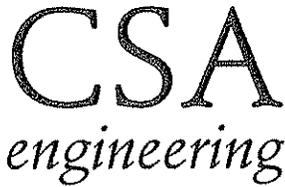
Street	Between		Linear Footage
S Margo Drive	W Fairmont	W Geneva	650
W Geneva Drive	S Margo	S Hardy	1850
TOTAL			2500

3. Design Phase Services

The intent of the Detailed Design Stage of the project is to prepare a complete set of Contract Documents. The Contract Documents shall comprise of plans only. Since the City is utilizing the JOC method of procurement, technical specifications will be incorporated into the plan sheets. No additional booklet-form of technical specifications will be provided.

Plans will be submitted in the 40%, 90% and final stages of this project.

Final Design Drawings will include the completion of all the design plans and details (such as trench detail). The Final Design level is intended to be a complete set of construction drawings, with the inclusion of comments made by the City and MCESD. The Final Design drawings will be plotted on 24 x 36 mylar. Plotting borders will be based on 22 x 34, capable of true half size reduction on 11 x 17.



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Approximate Design Quantities

SW Section 28

Street	Between		New 8"	Tie-in	Hydrants *	C&P	Services
S Margo Dr	W Fairmont	W Geneva	650	1	2	1	~4
W Geneva Dr	S Margo	S Hardy	1850	1	6	1	~25
		TOTAL	2500	2	8	2	~29

C&P – Cut and Plug

* Approx. number of hydrants. Actual number of hydrants will be determined during design at no additional change in fee

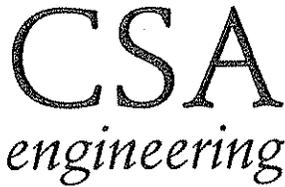
CSA will conduct project meetings to discuss scope of work, strategy, and other design issues. Wet utility quarter sections have been provided to CSA. A limited record drawings research may be performed for this project. CSA will obtain dry utility quarter sections. Based on the utility quarter sections provided by the City, CSA will compile the information on the design drawings and identify areas which may require additional field investigation and/or potholing.

If potholing is required, CSA will compile a list, sorted by utility company, and provide the list to the City. CSA will pay for up to 20 potholes.

40% Waterline Alignment Submittal

This submittal will include the following:

- a. Survey base maps showing locations and offsets of new water lines, underground utilities, valves, hydrants, and locations of cut and plug. All drawings (except details or standard details) will be in 1"=20' scale. All above ground features, such as poles, utility boxes, driveways, etc. (as described above) will be shown on the drawings
- b. All new waterline design will be depicted in plan and profile
- c. The 40% submittal will NOT have extensive notation and its sole purpose is to allow reviewers to determine the progress of work and agree to the alignment of the new waterlines, location of hydrants and valves
- d. The 40% submittal will include key maps showing sheet number cross references, location of valves and hydrants in the project area, and areas requiring cut and plug



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The number of sheets for this project is estimated as follows:

Cover sheet and vicinity map	1 sheet
Notes, legend and abbreviations	1 sheet
Quantities summary/Key Map	1 sheet
8-inch waterlines (2,500 lf)	6 sheets
Details	1 sheet
Total	10 sheets

A review meeting will be scheduled, as needed. Field verification with the City will be conducted at the project site, if needed.

90% (Pre-final, signed and sealed) submittal

CSA will develop the design drawings described above to its pre-final form. The design drawings will be signed and sealed by an Arizona registered professional engineer. This submittal will include the engineer's cost opinion.

One set of a signed and sealed design package will be sent to Maricopa County Environmental Services Department (MCESD). CSA will pay for MCESD review fee.

CSA will submit drawings to utility companies for "no-conflict" reviews and obtain "no-conflict" letters from utility companies in the project area.

100% Final Submittal

CSA will incorporate all redline comments and suggestions and develop the drawings to the 100% completion level. This set of drawings will be signed and sealed by an Arizona registered professional engineer. CSA will also provide quantity take-offs and the engineer's cost opinion for the project.

This task assumes that the project will be delivered using a JOC contractor. CSA will assist the City in the bid phase by providing information to the JOC contractor, issuance of addenda, and/or JOC cost evaluation.

The following elements are NOT included in the Scope of Work:

- a. Geotechnical investigation and/or review and research of existing geotechnical reports
- b. Full roadway pavement design and/or replacement
- c. Public information, mailings, and/or public meetings

AVB
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CSA engineering

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- d. Design of service lines within private properties
- e. Corp of Engineers Permit
- f. Payment of fees for City review

Deliverables

40% submittal	4 sets half size (11 x 17), 1/2 scale, preliminary cost opinion
90% submittal	4 sets half size (11 x 17), 1/2 scale Cost opinion, pothole list/result 1 set of signed and sealed design submittal package to MCESD
100% submittal	1 set full size mylar (unbound), 4 sets bound full size (24 x 36, but utilizing a 22 x 34 border) Cost Opinion Electronic files

Project Milestones

40% submittal	6 weeks from Notice to Proceed
90% submittal	3 weeks after receiving all review comments
100% submittal	3 weeks after receiving MCESD, utility company reviews and City reviews

Assumptions

- a. City will provide drawing blocks and drawing standards in computer format whenever possible.
- b. No other permits will be obtained by CSA other than obtaining a Permit for Approval to Construct from MCESD. Any City required permits will be coordinated by the City.
- c. There are no known environmental hazards and/or contamination in the project area.
- d. No landscaping inventory and replanting will be required.
- e. All drawings will be in AutoCAD.

Construction Phase (HURRY - N.T.E.)

CSA will assist the City during the construction phase of this project by providing engineering services including review of submittals, Request for Information, record drawings, and attending meetings as necessary. CSA will compile JOC provided field notes and transcribe the redlines onto the 100% mylars

CSA *engineering*

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by hand or in AutoCAD format. Upon completion of the project, CSA will provide an Engineer's Certificate of Completion. CSA will also coordinate the Approval of Construction permit.

The construction phase is anticipated to take no more than 2 months.

Any geotechnical and material testing will be done by the JOC contractor.

Project No.308100

Waterline Replacement Project
Margo - Geneva

FEE PROPOSAL

TASK	DESCRIPTION	OFF/SA	PM/SPE	PE/GFS	E/D	OTP	C/WP	TOTAL	TOTAL
1	Project Management/Meetings/Workshop	1	12	12	8	8	4	29	\$3,067
2	Topographical Survey		2	20	8	8	2	40	\$3,335
3	Design Phase		40	58	94	88	18	298	\$22,288
4	Construction Phase		16	32	28	14	12	102	\$8,442
5	As-built drawings		4	2	2	8	1	12	\$682
6	Engineer's Certificate of Completion		4	2	2		1	7	\$758
									LUMP SUM
									\$28,690
									HOURLY RATE
									\$9.88Z

DESIGN PHASE

CONSTRUCTION PHASE

HOURS	RATE	AMOUNT	ITEM	ESTIMATED COST
1	74	126	132	488
			118	37
			488	\$38,571

LABOR CATEGORY	HOURS	RATE	AMOUNT	ITEM	ESTIMATED COST
OFFICER/SR. ASSOC./OFF/SA	1	\$128.26	\$128.26	REIMBURSABLES	\$800
PROJ.MGR./SENIOR P.E. (PM/SPE)	74	\$128.26	\$9,491		
PROJECT ENGINEER (PE)	126	\$104.94	\$13,222	MCESD Review Fee - Allowance	\$2,000
ENGINEER/DESIGNER (E/D)	132	\$72.88	\$9,620	POTHOLE (20 Holes) - Allowance	\$6,000
OTHER TECHNICAL PERSONNEL (OTP)	118	\$40.81	\$4,816		
CLERICAL/WORD PROCESSING (C/WP)	37	\$34.98	\$1,294		
TOTALS	488		\$38,571		
TOTAL DIRECT EXPENSE HANDLING (@ 0%)					\$8,800
ALLOWANCE					

TOTAL ESTIMATED LABOR & EXPENSES	\$47,372	TOTAL LABOR	\$38,571	TOTAL ALLOWANCES	\$8,800
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PUB 8/8

CITY OF TEMPE
TEMPE, ARIZONA
DEPARTMENT OF PUBLIC WORKS

AFFIDAVIT OF GENERAL CONTRACTOR / PRIME CONSULTANT
REGARDING
HEALTH INSURANCE

_____,
Arizona

Date _____

**Water Line Upgrade / Replacement Margo and Geneva Drives
Project No. 3209331**

I hereby certify that _____ (name of company) currently has, and all of its major subcontractors/subconsultants, defined as doing work in excess of \$30,000.00, will have, during the course of this contract, health insurance for all employees working on this project and will offer health insurance coverage to eligible dependents of such employees, as defined in the accompanying Guidelines. The company's health insurance is as follows:

Name of Insurance Company: _____

Type of Insurance (PPO, HMO, POS, INDEMNITY): _____

Policy No.: _____

Policy Effective Date (MM/DD/YY): _____

Policy Expiration Date (MM/DD/YY): _____

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

General Contractor/Prime Consultant

By: _____

STATE OF ARIZONA)
) ss
COUNTY OF MARICOPA)

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2008.

Notary Public

My commission expires:

City of Tempe

Guidelines for Implementation of Health Insurance

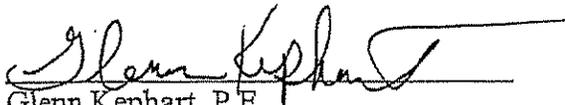
These Guidelines are provided for purposes of implementing Resolution No. 2000.73, which requires all employees of prime consultants, general contractors and major subconsultants and subcontractors to have health insurance and to offer health insurance to their eligible dependants, as determined at the start of each project. Questions regarding these guidelines should be directed to the City of Tempe Engineering Division at (480) 350-8200.

1. All Prime Consultants who enter into a Public Works contract or General Contractors who bid on Public Works projects that are advertised for bid and enter into a contract in excess of \$30,000 with the City of Tempe after January 1, 2001, are required to sign an affidavit in the form attached hereto. The prime consultant or general contractor shall require that all major subconsultants or subcontractors, defined as entities doing work in excess of \$30,000, comply with the health insurance requirements. In signing the affidavit, prime consultants and general contractors may refer to and rely upon these Guidelines for interpretation.
2. Health insurance is required for permanent employees who work for the consultant/contractor more than one hundred and twenty (120) days in any calendar year. A "work day" consists of any time within a twenty-four hour period, regardless of number of hours, that the individual is paid. This requirement excludes students working part-time who are enrolled in a recognized educational institution. Many companies have a grace period or a qualifying period prior to commencement of insurance coverage, which is acceptable so long as the employee coverage begins by the 120th day of contract signing. Temporary employees will be covered to the same extent as the City of Tempe covers temporary employees as determined at the start of each project.
3. If a contractor is a "Union" shop and withholds union dues from employees for health insurance coverage that is also offered to their eligible dependents and meets all City requirements, the Contractor may so note on the required affidavit.
4. The health insurance requirements herein apply to all employees that are directly involved with the City of Tempe project including support and administrative personnel.
5. Health insurance coverage must be maintained during the entire time of the contract, including any warranty periods, with the City.
6. All complaints concerning violations of the health insurance requirements shall be filed by an employee, in writing, with the Public Works Department, within thirty (30) days from discovery of the violation. An administrative hearing will be held before the Public Works Manager, and a written decision of findings will be provided to the parties to the hearing within ten (10) days thereafter. Appeal from the decision

of the Public Works Manager may be made within ten (10) days of the date of the decision by filing a notice of appeal in writing with the Public Works Department. If an appeal is timely filed, an administrative hearing will be held before an administrative hearing officer appointed by the City Manager. The decision of the administrative hearing officer shall be final.

7. In the event of a finding by the City of a violation of the insurance provisions, the company in violation of the provision shall be barred from bidding on, or entering into, any public works contract with the City for a minimum period of three (3) years.
8. All consultants and contractors subject to the health insurance requirements shall post, in English and Spanish, notice of the health insurance requirements at their office and at the job site. Signs for posting will be provided by the City.

These "Guidelines for Implementation of Health Insurance", issued and dated this 21st day of August, 2002, hereby amend all guidelines previously issued.


Glenn Kephart, P.E.
Public Works Manager