



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA12-119**

1. Agenda Item Number:

38

2. Council Meeting Date:
January 26, 2012

TO: MAYOR & COUNCIL

3. Date Prepared: January 11, 2012

THROUGH: CITY MANAGER

4. Requesting Department: Transportation & Development

5. SUBJECT: Award a construction contract to Salt River Project for the installation of an irrigation delivery structure for the Alma School Road and Ray Road Improvements, Project No. ST0704-307, in an amount not to exceed \$56,867.

6. RECOMMENDATION: Staff recommends that Council award a construction contract to Salt River Project for the installation of an irrigation delivery structure for the Alma School Road and Ray Road Improvements, Project No. ST0704-307, in an amount not to exceed \$56,867.

7. BACKGROUND/DISCUSSION: The Alma School Road and Ray Road intersection will be improved by the addition of dual left turn lanes, a third auxiliary through lane, and right turn lanes for all directions of travel, paved concrete medians, street lighting, storm drainage, and landscaping.

Salt River Project will incur costs to install an irrigation structure to accommodate the Alma School Road and Ray Road Improvements. Since Salt River Project has prior rights, the City is required to reimburse Salt River Project for all associated costs to relocate their irrigation system. These costs include installation of one delivery structure.

The structure was scheduled to be deactivated by Salt River Project, and the Greater Phoenix Chinese Christian Church agreed to the deactivation. The City was notified that the Greater Phoenix Chinese Christian Church requests water deliveries so the structure is unable to be removed.

The City has authorized Salt River Project to remove and replace a total of \$787,727 in power facilities and \$322,780 in water facilities for the Alma School Road and Ray Road intersection project.

8. EVALUATION: Salt River Project self-performs construction services.

9. FINANCIAL IMPLICATIONS:

Cost: \$56,867
Savings: N/A
Long Term Costs: N/A

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
217.3310.6517.0000.6ST315	Grant - Highway Safety Improvement Program	Alma/Ray	Yes	\$56,867

10. PROPOSED MOTION: Move that Council award a construction contract to Salt River Project for the installation of an irrigation delivery structure for the Alma School Road and Ray Road Improvements, Project No. ST0704-307, in an amount not to exceed \$56,867, and authorize the Mayor to sign the contract documents.

ATTACHMENTS: Location Map, Contract

APPROVALS

11. Requesting Department

RJZ for

Daniel W. Cook, Transportation Manager

13. Department Head

RJZ

R.J. Zeder, Transportation & Development Director

12. City Engineer

Sheina Hughes

Sheina Hughes, City Engineer

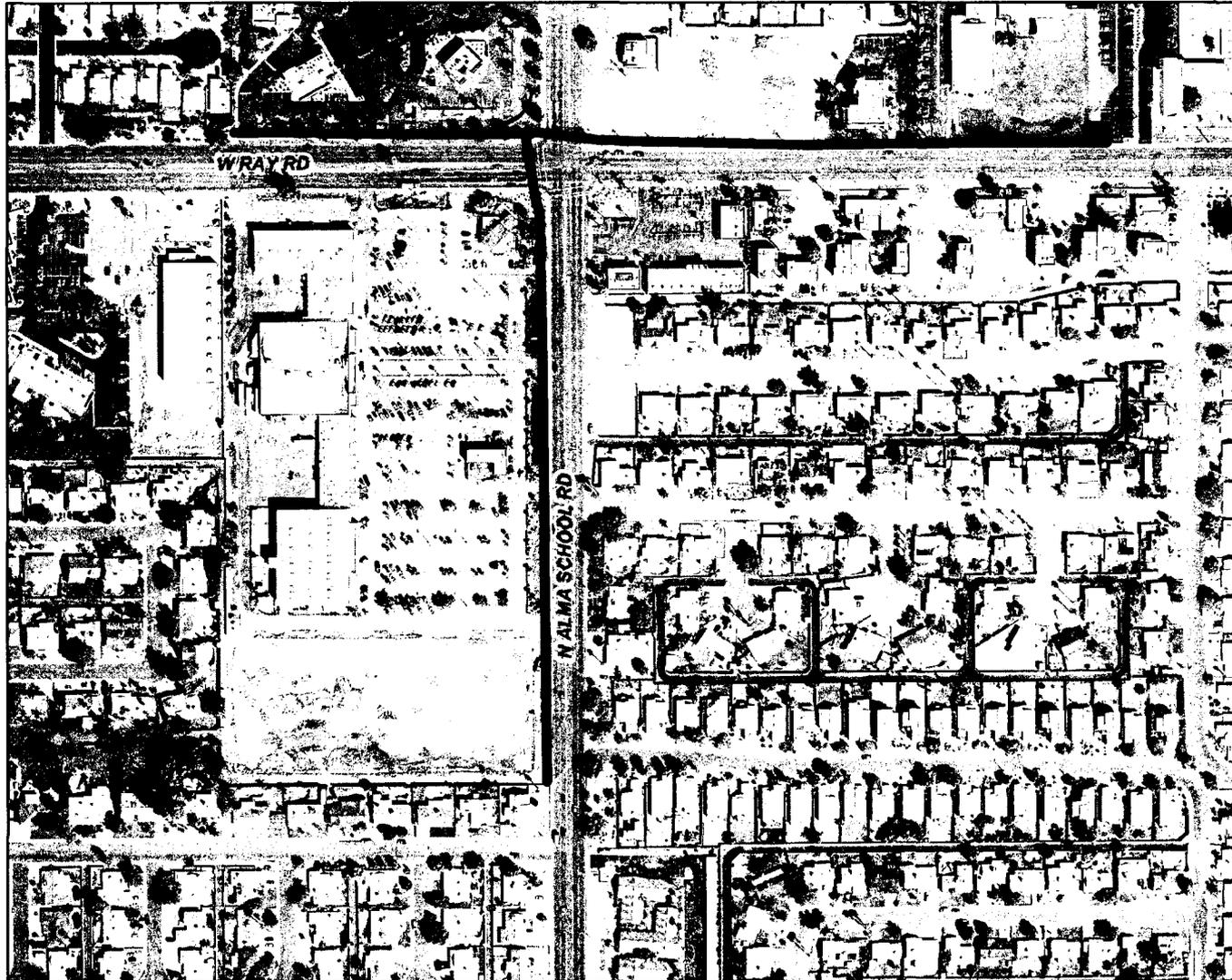
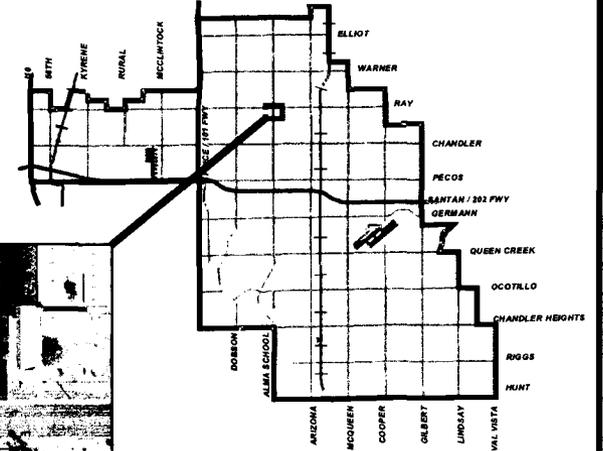
14. City Manager

Rich Dlugas

Rich Dlugas



SALT RIVER PROJECT IRRIGATION DELIVERY STRUCTURE PROJECT NO. ST0704-307



MEMO NO. CA12-119

IRRIGATION IMPROVEMENTS

DELIVERY STRUCTURE





AGREEMENT FOR CONSTRUCTION OF SRP FACILITIES

This Agreement for construction, modification or relocation of SRP irrigation facilities ("Agreement") is entered into between the Salt River Valley Water Users' Association, a corporation organized under the laws of the Territory of Arizona, ("SRP"), and the City of Chandler, an Arizona municipal corporation ("City"). SRP and City may be referred to as "Party", or collectively as "Parties".

WHEREAS, City has requested that SRP irrigation facilities be modified or relocated to accommodate certain improvement or other development needs of City for Alma School Road and Ray Road located at Alma School Road and Ray Road, AND;

WHEREAS, SRP is willing to construct such accommodation, in whole or in part, or to permit the City to construct such accommodation in whole or in part ("Work") with certain conditions.

THEREFORE, in consideration of the matters described herein and of the mutual benefits and obligations set forth herein, SRP and City agree as follows:

- 1) SRP shall install the Manhole Turnout structure at Station 10+12.5 as shown and detailed in the attached SRP Plans & Specifications.
- 2) City shall pay SRP \$56,867 for the installation of the above structure.
- 3) In addition to the amount above, the City's Authorization to Bill for Construction Services letter sent to SRP dated 7/8/2010 is also added and made part of this agreement.
- 4) The City shall perform any Work not included in the Work to be performed by SRP and comply with following conditions:
 - a. City shall obtain such other licenses, permits, and agreements as required by any governing bodies having jurisdiction over the location which is the subject hereof.
 - b. Construction shall not commence until receipt of SRP's Notice to Proceed.
 - c. City shall notify the SRP inspector and request a dryup if necessary to perform the Work. SRP cannot assure a dryup, which may only be possible for brief periods and certain times of the year.
 - d. City shall be liable for any and all damage to the property of the United States of America (USA), SRP, the Salt River Project Agricultural Improvement and Power District, or any other party, caused by or arising out of its performance hereunder, or the performance of any of its



contractors or subcontractors. To the extent permitted by law, City shall indemnify and hold harmless the USA, SRP and the Salt River Project Agricultural Improvement and Power District (Indemnitees), against and from any claims, actions, loss, damage, costs, expenses, or other liabilities for property damage or personal injuries in any way caused by or arising out of the City's performance hereunder, or the performance of its contractors or subcontractors. City's obligations to Indemnitees pursuant to this paragraph shall extend to and encompass all costs incurred by Indemnitees in defending against such claims or actions, and shall survive termination of this Agreement.

- e. City warrants that construction shall conform to SRP plans and specifications and be free from defects in material and workmanship. If defect in materials or workmanship or other non-conformance with plans and specifications appears within one year from the date of SRP acceptance, and SRP so notifies City within a reasonable time after its discovery, City shall immediately correct the non-conformity at City's sole cost and expense within thirty (30) calendar days of notice by SRP. If City fails to correct the non-conformity within the time period specified by SRP, SRP may correct the non-conformity and City will pay for the cost of performing the Work.
 - f. In the event the City is unable to complete its Work, SRP shall have the right, but not be obligated, to complete the Work by whatever method SRP deems appropriate. This includes providing or obtaining any labor, materials or equipment and perform any part of the incomplete Work or Work that must be redone. The cost of completing the Work, along with reasonable administrative charges or other damages caused by delays in completing the Work shall be charged to City.
- 5) Changes to the plans and specifications will only be made by SRP. SRP shall provide City with prior written notice of any changes in costs. City must agree in writing to any changes in cost to the City.
 - 6) This Agreement shall be governed in all respects by the laws of the state of Arizona.
 - 7) Either Party may terminate this Agreement at any time by providing thirty (30) days written notice to the other Party. In the event the City desires to terminate this Agreement prior to the completion of SRP's work, City shall reimburse SRP for the actual costs incurred as well as reasonable costs required to restore SRP's facilities.
 - 8) If City's sub-contractor(s) file a lien against the premises where the Work and services are being performed, City shall, at its own expense, promptly take any and all action necessary to cause any such lien to be released or discharged. If City does not satisfy the lien in a prompt manner, SRP may satisfy the amount of



the lien and then City shall reimburse SRP for the amounts paid in settling the lien.

9) In the event of dispute involving the terms of this Agreement or an allegation of material breach by either Party, the Parties reserve all rights and remedies, arising by law or equity, but shall waive any right to demand a trial by jury in an action commenced in court with respect to any legal proceeding arising out of or relating to this Agreement.

10) This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511.

11) This Agreement is subject to the provisions of ARIZ. REV. STAT. § 42-17106.

12) Notices:

If to City:
City of Chandler
Mrs. Lori Greco
P. O. Box 4008
Mail Stop 410
Chandler, AZ 85244-4008

If to SRP:
SRP
Attn: Bob Larchick
Water Engineering, MS PAB 106
P.O. Box 52025
Phoenix, Arizona 85072-2025

13) This Agreement is binding upon the Parties hereto, their respective successors and assigns.

14) To the extent applicable under ARIZ. REV. STAT. § 41-4401, SRP and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under ARIZ. REV. STAT. § 23- 214(A). SRP's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the City.

15) All data, regardless of form, including originals, images and reproductions, prepared by, obtained by, or transmitted to SRP in connection with this Agreement is confidential, proprietary information owned by the City. Except as specifically provided in this Agreement, SRP shall not disclose data generated in the performance of the services to any third person without the prior written consent of the City, or its designee.



- 16) In the event there is a breach of this Agreement, the prevailing Party to litigation shall be entitled to its reasonable attorney's fees and court costs. It is further understood and agreed that in the event any dispute arises regarding this Agreement or the terms and conditions hereof, the sole venue for litigation regarding this Agreement shall be in the Courts of Maricopa County, Arizona.
- 17) Pursuant to ARIZ. REV. STAT. §§ 35-391.06 and 35-393.06, SRP certifies that it does not have scrutinized business operations in Sudan or Iran. For the purpose of this subsection the term "scrutinized business operations" shall have the meanings set forth in ARIZ. REV. STAT. § 35-391 or 35-393, as applicable. If the City determines that SRP submitted a false certification, the City may impose remedies as provided by law including terminating this Agreement.
- 18) This Agreement represents the entire agreement of the Parties and supersedes all negotiations, representations, prior discussions or preliminary agreements between the Parties. No statements, warranties or representations of any kind not created in this Agreement shall in any way bind the Parties. This Agreement can only be changed or modified by a writing signed by all of the Parties hereto.
- 19) No term or provision of this Agreement that is determined by a court of competent jurisdiction to be invalid or unenforceable shall affect the validity or enforceability of the remaining terms and provisions of this Agreement. Any term found to be invalid or unenforceable shall be deemed as severable from the remainder of the Agreement.
- 20) This Agreement is not intended to constitute, create, give rise to, or otherwise recognize a joint venture, partnership or formal business association or organization of any kind, and the rights and obligations of the Parties shall be only those expressly set forth in this Agreement. The Parties agree that no individual performing under this Agreement on behalf of SRP will be considered a City employee, and that no rights of City civil service, City retirement or City personnel rules shall accrue to such individual. SRP shall have total responsibility for all salaries, wages, bonuses, retirement, withholdings, worker's compensation, other employee benefits, and all taxes and premiums appurtenant thereto concerning such individuals and shall save and hold harmless the City with respect thereto.
- 21) SRP shall comply with all existing and subsequently enacted federal, state and local laws, ordinances, codes, and regulations that are, or become applicable to this Agreement. If a subsequently enacted law imposes substantial additional costs on SRP, a request for an amendment may be submitted.
- 22) This Agreement is in the nature of a personal services agreement and SRP shall have no power to assign its rights and obligations under this Agreement without

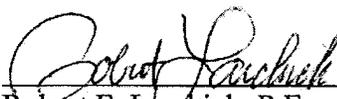


the prior written consent of the City. Any attempt to assign without such prior written consent shall be void.

23) This Agreement is may be canceled by City for a conflict of interest pursuant to Arizona Revised Statutes §38-511.

IN WITNESS HEREOF, each Party has caused the execution of this Agreement by the undersigned, who is vested with authority to bind such Party to the terms and conditions herein.

“SRP”
Salt River Valley Water Users’
Association, an Arizona corporation



Robert E. Larchick, P.E.
Director, Water Engineering

12/21/2011

Date Signed

“City”
City of Chandler, an Arizona
municipal corporation

City Representative

Title of Representative

Date Signed

APPROVED AS TO FORM

CITY ATTORNEY *GAB*

EXHIBIT A
Construction Bid Summary

RD-82876
City of Chandler
Alma School and Ray Road intersection Improvements
(Ala School and Ray)

SECTION I - Items by SRP

Item	Item Description	Units	Quantity	\$/Unit	Bid	Net Bid
1-	MHTO Delivery Structure (STA 10+12.5) (Near Chinese Church)	L.S	1	56,867	56,867	56,867
2-	Design Engineering	L.S	1	No Charge	No Charge	No Charge
SECTION I TOTALS						\$56,867

Summary

SECTION I - Items By SRP \$56,867

NOTES

- 1- Items listed within Bid Summary constitute a total bid which is valid until March 31st 2012
- 2- This Estimate was prepared with input from Water C&M