



Chandler - Arizona
Where Ideas Make The Difference

**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. RE13-014**

1. Agenda Item Number:

40

2. Council Meeting Date:

July 26, 2012

TO: MAYOR & COUNCIL

THROUGH: CITY MANAGER

3. Date Prepared: July 10, 2012

4. Requesting Department: Transportation & Development

5. **SUBJECT:** Approval of Contract Amendment No. 2 to Dennis Lopez., Lopez & Associates, L.L.C., to provide professional appraisal services for the Gilbert Road Improvements (CIP ST0809) Phase 2, from Queen Creek Road to Hunt Highway in the amount of \$4,000, for a revised total amount of \$61,500.

6. **RECOMMENDATION:** Staff recommends that Council approve Contract Amendment No. 2 to Dennis Lopez., Lopez & Associates, L.L.C., to provide professional appraisal services for the Gilbert Road Improvements (CIP ST0809) Phase 2, from Queen Creek Road to Hunt Highway in the amount of \$4,000, for a revised total amount of \$61,500.

7. **BACKGROUND/DISCUSSION:** On March 25, 2010, Council approved a contract with Dennis Lopez & Associates ("Lopez") for the Gilbert Road Improvement Project from Queen Creek Road to Hunt Highway ST-0809 (the "Project"). The contract awarded to Lopez provided enough funding for 30 appraisal reports. Amendment No. 1 authorized the reappraisal of 20 parcels for Phase 2. However, research of the title reports for the project determined that appraisal services were needed for 5 additional parcels at \$800 each for a total cost of \$4,000.

8. **EVALUATION:** The additional funding will cover professional appraisal services needed in connection with the appraisal reports Lopez prepared for this Project.

9. **FINANCIAL IMPLICATIONS:**

Original Contract Cost: \$37,500
Amendment No. 1. \$20,000
Amendment No. 2. \$ 4,000

Fund Source:

Acct. No.:	Fund Name	Program Name	CIP Funded	Amount
415.3310.0000.6517.8ST596	Arterial St. Impact Fees	Gilbert Rd. (Queen Crk-Hunt Hwy)	07/08	\$ 4,000

10. **PROPOSED MOTION:** Move that Council approve Contract Amendment No. 2 to Dennis Lopez., Lopez & Associates, L.L.C., to provide professional appraisal services for the Gilbert Road Improvements (CIP ST0809) Phase 2, from Queen Creek Road to Hunt Highway in the amount of \$4,000, for a revised total amount of \$61,500.

ATTACHMENTS: Amendment

APPROVALS

11. Requesting Department

Dan Cook, Transportation Manager

13. Department Head

R.J. Zedel, Public Works Director

12. City Engineer

Sheina Hughes, City Engineer

14. City Manager

Rich Dlugas, City Manager



Chandler Arizona

AMENDMENT NUMBER TWO

Project Name: Gilbert Road Queen Creek Road to Hunt Highway
Project No.: ST-0809

This Amendment No. Two to that certain Agreement Between the City Of Chandler (CITY) and Dennis Lopez and Associates, LLC., for Appraisal Services dated February 15, 2010, is entered into this _____ day of _____, 2012.

WHEREAS the parties have determined that it is necessary and desirable for Dennis Lopez and Associates, LLC., to perform additional services for CITY;

NOW THEREFORE, the parties agree as follows:

1. Section One of the above referenced Agreement, is hereby amended by adding additional scope of work described in more detail in Exhibit A, attached hereto and incorporated herein by reference.
2. Section One, of the above referenced Agreement, is hereby; amended by increasing the total contract price by an amount not to exceed the sum of four thousand dollars, (\$4,000) all payable in accordance with Exhibit B, for a total contract price not to exceed the sum of sixty-one thousand five hundred dollars, (\$61,500).
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 _____, 2012.

CITY OF CHANDLER:

CONSULTANT: Dennis Lopez and Associates, L.L.C.

By: _____
MAYOR Date

By: _____
Title:

APPROVED AS TO FORM:

ATTEST: (If corporation)

City Attorney by: _____ *CR*

Secretary

ATTEST:

WITNESS: (If Individual or Partnership)

City Clerk

SEAL

Amendment No. Two cont.

Project No. ST-0809

THESE CHANGES RESULT IN THE FOLLOWING ADJUSTMENTS OF CONTRACT PRICE AND TIME

ORIGINAL CONTRACT AMOUNT		\$ 37,500
CURRENT CONTRACT PRICE PRIOR TO THIS AMENDMENT (Including previous amendments)		\$ 57,500
NET INCREASE / DECREASE (Resulting from this amendment)		\$ 4,000
REVISED CONTRACT PRICE (Including this amendment)		\$ 61,500
AMENDMENT PERCENTAGE (Of original contract price)		11.0%
CONTRACT TIME PRIOR TO THIS AMENDMENT (Including previous amendments)		N/A (Days or Date)
NET INCREASE/DECREASE (Resulting from this amendment)		N/A (Days or Date)
REVISED CONTRACT TIME (Including this amendment)		N/A (Days or Date)
THIS AMENDMENT No. <u> </u>	Does not Require Council Approval: Less than \$30,000*	<u> </u>
	More than \$30,000 but less than 10% of Contract*	<u> </u>
THIS AMENDMENT No. <u>Two</u>	Requires Council Approval Greater than \$30,000*	<u>X</u>
	Greater than 10% of Contract *	<u>X</u>
*Including City Manager approved Amendments		
ORIGINAL CONTRACT COUNCIL DATE: March 25, 2010 ITEM NO.: _____, if applicable		
COUNCIL APPROVAL: <u>March 25, 2010</u> ITEM NO.: _____, if applicable		

CC: City Clerk User Dept Project Mgr Consultant Project Anaylst File

EXHIBIT A
SCOPE OF WORK

The sum of \$4,000 is based on:

5 additional appraisal reports at \$800 each

EXHIBIT B
FEE SCHEDULE

\$4,000	\$800 x 5 additional appraisal reports
\$4,000	Total for Amendment Number Two.



Chandler Arizona

AMENDMENT NUMBER ONE

Project Name: Gilbert Road Queen Creek Road to Hunt Highway
Project No.: ST-0809

This Amendment No. One to that certain Agreement Between the City Of Chandler (CITY) and Dennis Lopez and Associates, LLC., for Appraisal Services dated February 15, 2010, is entered into this 6 day of December, 2011.

WHEREAS the parties have determined that it is necessary and desirable for Dennis Lopez and Associates, LLC., to perform additional services for CITY;

NOW THEREFORE, the parties agree as follows:

1. Section One of the above referenced Agreement, is hereby amended by adding additional scope of work described in more detail in Exhibit A, attached hereto and incorporated herein by reference.
2. Section One, of the above referenced Agreement, is hereby; amended by increasing the total contract price by an amount not to exceed the sum of twenty thousand dollars, (\$20,000) all payable in accordance with Exhibit B, for a total contract price not to exceed the sum of fifty-seven thousand five hundred dollars, (\$57,500).
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 6 day of December, 2011.

CITY OF CHANDLER:

CONSULTANT: Dennis Lopez and Associates, L.L.C.

By: [Signature] 12/6/11

MAYOR

Date

By: [Signature]

Title:

MANAGING MEMBER

APPROVED AS TO FORM:

ATTEST: (If corporation)

[Signature]

[Signature]
Secretary

City Attorney by: GAB

ATTEST:

WITNESS: (If Individual or Partnership)

[Signature]

City Clerk



Amendment No. One cont.

Project No. ST-0809

THESE CHANGES RESULT IN THE FOLLOWING ADJUSTMENTS OF CONTRACT PRICE AND TIME

ORIGINAL CONTRACT AMOUNT	\$ 37,500
CURRENT CONTRACT PRICE PRIOR TO THIS AMENDMENT (Including previous amendments)	\$ 37,500
NET INCREASE / DECREASE (Resulting from this amendment)	\$ 20,000
REVISED CONTRACT PRICE (Including this amendment)	\$ 57,500
AMENDMENT PERCENTAGE (Of original contract price)	53.0%
CONTRACT TIME PRIOR TO THIS AMENDMENT (Including previous amendments)	N/A (Days or Date)
NET INCREASE/DECREASE (Resulting from this amendment)	40 Days (Days or Date)
REVISED CONTRACT TIME (Including this amendment)	(Days or Date)
THIS AMENDMENT No. <u> </u>	Does not Require Council Approval: Less than \$30,000* <u> </u>
	More than \$30,000 but less than 10% of Contract* <u> </u>
THIS AMENDMENT No. <u>One</u>	Requires Council Approval Greater than \$30,000* <u>X</u>
	Greater than 10% of Contract * <u>X</u>
*Including City Manager approved Amendments	
ORIGINAL CONTRACT COUNCIL DATE: March 25, 2010 ITEM NO.: <u> </u> , if applicable	
COUNCIL APPROVAL: <u>March 25, 2010</u> ITEM NO.: <u> </u> , if applicable	

CC: City Clerk User Dept Project Mgr Consultant Project Anaylst File

**EXHIBIT A
SCOPE OF WORK**

The sum of \$20,000 is based on:

25 revised appraisal reports at \$800 each

EXHIBIT B
FEE SCHEDULE

\$20,000	\$800 x 25 revised appraisal reports
\$20,000	Total for Amendment Number One.

**EXHIBIT "A"
LIST OF PROPERTIES**

**GILBERT ROAD IMPROVEMENTS-PHASE 2
QUEEN CREEK ROAD TO HUNT HIGHWAY, ST0809**

PARCEL #	OWNER
304-73-012F	LHEH LAYTON LAKES ESTATES
304-73-001C	LHEH LAYTON LAKES ESTATES
304-73-002E	LENNAR LAYTON LLC
303-43-010K	BETA BUSINESS ORG
303-43-023A	BETA BUSINESS ORG
303-43-020L	GERMAINE, Norm/Cara
303-43-020M	ANDREA, Tony/Sally
303-43-006D	EASTBOURNE GILBERT LLC
303-43-006E	EASTBOURNE GILBERT LLC
304-74-006E	DAVID PROJECT LP
304-74-015B	LA PAGLIA, Jesus/Geneva
304-74-190, 191	BROOKS RANCH HOA
304-76-602, 609,	REIDS RANCH PROPERTY HOA
304-74-008B	REIDS RANCH PROPERTY HOA
304-74-010E	PAK, John/Meeja
304-74-010G	BGJ INVESTMENTS LLC
304-74-010C	PAK, John/Meeja
303-44-003C	CITY OF CHANDLER
303-44-003B	R.W.C.D.
303-44-004B	R.W.C.D.
303-44-004C	GUTHRIE, Lyle/Karleen
303-44-020F	KREGLE, Kevin/ANDERSON, R.
303-44-020H	BARNES, Euell Lyle Trust
303-44-018F	R.W.C.D.
*304-82-001D	RIGGS, Darnall L., Aytanya R.
304-82-001E	AMBERWOOD HEIGHTS DVLPMT LLC
304-82-238 & 246	MESQUITE GROVES ESTATES HOA
304-82-247	LDR-RIGGS & GILBERT LLC
303-55-019C	R.W.C.D.
303-55-019G	RIGGS & GILBERT LLC
303-55-019E	SAFEWAY INC.
304-84-967	SPRINGFIELD LAKES HOA
303-56-953	COOPER COMMONS HOA
303-89-097, 400	SUN RIVER HOA
304-73-002B	R.W.C.D.
304-73-002G	R.W.C.D. Well Site

FEE SCHEDULE

\$20,000 x 25 reports at \$800 per report = \$20,000

\$20,000 Total - Amendment Number One

February 15, 2010

REGULAR MAIL AND/OR FACSIMILE

Mr. Dennis Lopez
C/O Dennis Lopez & Associates, L.L.C.
8631 S. Priest Drive, Suite 103
Tempe, AZ 85284
FAX: (480) 838-7332

Re: Scope of Work for Appraisal Reports of Approximately 30 Combined Parcels for the Gilbert Road Phase 2 (Queen Creek to Hunt Highway) Road Improvement Project, ST0809

Dear Mr. Lopez:

Based on your correspondence it is our understanding that you will be providing appraisal services that include the following:

1.	<u>Parcel Number(s)</u>	<u>Amount</u>
	Approximately 30 parcels @ \$1,250.00 per report (See Exhibit "A")	\$37,500.00

2. Description of work to be done:

Full narrative appraisal reports according to Uniform Standards of Professional Appraisal Practice standards for full or partial acquisition, whichever is applicable, for eminent domain proceedings, and assumes no environmental issues are present.

3. Data to be furnished the APPRAISER by the CITY:

Title Reports and Construction Plans, *PARTIAL ACQUISITION DRAWINGS + LEGAL DESC.*

4. Parcel(s) (ownership(s)) will be reported in triplicate and shall be complete within its self. The Appraisal Report shall conform to the Uniform Standards of Professional Appraisal Practice unless otherwise noted. In addition, the appraisal report shall address improvements in the proposed right of way, including private signs, walls, landscaping, lights and irrigation/sprinkler facilities.

5. The completed written reports are to be delivered to Real Estate Services at 215 E. Buffalo Street, Suite 201, Chandler, Arizona 85225 on or before 5:00 p.m. **thirty (30) days after authorization to proceed.** The date of delivery of the report may not be extended without written authorization of the Real Estate Manager or their authorized agent.

**And receipt of items listed under #3.*

6. **The APPRAISER will be paid the sum as set forth in paragraph 1 for the completed work, which sum shall include all costs or expenses incurred by the APPRAISER. Payments to the APPRAISER shall be made within thirty (30) days of submission of the completed Review(s) and invoice. In the event the CITY requests the APPRAISER cease work on a particular project prior to its completion, payment shall be made prorated on the basis of work completed.**
7. **Where applicable, payment may be made as the portions of this work are completed and accepted by the CITY on the basis of the agreed fee amount for each parcel.**
8. **Appraisal Report(s) will be complete upon submission and the APPRAISER agrees to correct any omissions or errors on their part at no extra cost to the CITY.**
9. **The APPRAISER agrees to testify in the courts with reference to Appraisal(s) prepared for the CITY when requested or subpoenaed by the City's attorney. The APPRAISER agrees to complete and submit to the CITY any additional information, investigation or opinions or conclusions within ninety (90) days or less if requested by the CITY. The APPRAISER shall be paid at the rate of \$200.00 per hour for all work performed as described above and for depositions, attorney pretrial, trial conferences, testimony in court or other related work.**
10. **The APPRAISER must notify landowner and/or their designated representative to inform them that they have been requested to perform an appraisal. APPRAISER shall allow the owner, or a representative of owner, the opportunity to provide any information they wish regarding the property and to accompany the APPRAISER during their inspection of the property.**
11. **Neither the APPRAISER'S employment nor their compensation are in any way contingent upon the amount at which they value the property.**
12. **To the fullest extent permitted by law, APPRAISER shall defend, indemnify and hold harmless the City of Chandler, its agents, representatives, officers, directors, officials and employees, individually and collectively, (hereinafter COC) from and against all losses, claims, damages, suits, actions, payments, judgments, demands, expenses and costs, including, but not limited to, attorney's fees, defense costs, court costs, and the cost of appellate proceedings, or actions of any kind and nature, wages or overtime compensation due employees in rendering service under this Contract) and whether to any person or property, including natural resources and any claim made under the Fair Labor Standards Act or any other federal or state laws, related to, arising out of, or alleged to have resulted from acts, errors, mistakes, omissions, work or services of the APPRAISER, its employees, agents, or any tier of subcontractors in the performance of this Contract or of any other person for whose acts, errors, mistakes or omissions APPRAISER may be legally liable, and from any claims or amounts arising or recovered under Workers' Compensation laws or any other law, bylaw, or ordinance, order or decree or any failure on the part of APPRAISER, its agents, employees or representatives to fulfill APPRAISER'S obligations under this Contract. IT IS THE INTENTION OF THE PARTIES to this contract that the City of Chandler, its agents, representatives, officers, directors, officials and employees, individually and collectively,**

are to be indemnified against their own negligence unless and except their negligence is found to be the sole cause of the injury to persons or damages to property. The provisions of this paragraph shall survive termination of this Contract.

13. The appraiser may not assign this work to another appraiser without consent by the City of Chandler.
14. Time is of the essence with production of the work for this (these) Appraisal(s). It is understood that should the APPRAISER not produce the agreed upon work in the proscribed time, the CITY may elect to ask the APPRAISER to terminate work on the project, and not be responsible for payment. In the event work is delayed, and the CITY elects to have APPRAISER continue with work, APPRAISER shall be responsible for payment to the CITY of \$100 per day in liquidated damages.
15. It is mutually understood that no alteration or variation of these terms will be valid unless made in writing and signed by the parties, and no alterations or variations of the terms hereof unless made in writing between the parties hereto shall be binding on any of the parties hereto.
16. The APPRAISER agrees that they will not disclose their report and conclusions in whole or in part to any person other than as provided in letter or except as directed by an authorized agent of the CITY.
17. The APPRAISER warrants that they have no interest, present or contemplated, in the property or the properties affected by this work.
18. The APPRAISER has not employed or retained any company, firm or person, other than a bona fide employee working solely for him, to solicit or secure this work, and that they have not paid or agreed to pay any company, firm, or person, other than a bona fide employee working solely for them, any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award or making of this agreement. For breach or violation of this warranty, the CITY shall have the right to cancel this agreement without liability.
19. The APPRAISER shall maintain commercial general liability insurance with a limit of not less than \$500,000 for each occurrence and automobile liability in an amount not less than \$100,000 combined single limit. The "City of Chandler, its agents, representatives, officers, directors, officials and employees" shall be named as additional insured. If applicable, APPRAISER shall also carry worker's compensation insurance for all employees at statutory limits and Employer's Liability in an amount not less than \$100,000 for each accident/disease per employee. Prior to commencing work, evidence of such coverage shall be provided to the City by an acceptable Certificate of Insurance and approved by the City's Risk Manager.
20. The APPRAISER shall comply with the requirements of E-Verify pursuant to Exhibit "B", attached hereto.

Please let me know if you have any questions or need additional information. A self-addressed stamped envelope is enclosed for your prompt return of this original, signed letter.

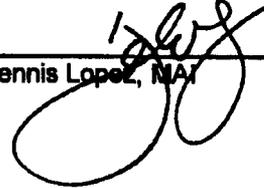
Thank you for your assistance in this matter.

Sincerely,

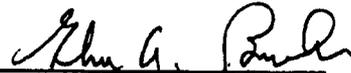


~~XXXXXXXXXX~~
Real Estate Manager
Mayor

I HAVE READ, UNDERSTAND AND
AGREE TO THE FOREGOING TERMS.

X 
Dennis Lopez, MAI

Approved as to Form


City Attorney

**EXHIBIT "A"
LIST OF PROPERTIES**

**GILBERT ROAD IMPROVEMENTS-PHASE 2
QUEEN CREEK ROAD TO HUNT HIGHWAY, ST0809**

PARCEL #	OWNER	
304-73-012F	LH EH LAYTON LAKES ESTATES	
304-73-001C	LH EH LAYTON LAKES ESTATES	
304-73-002E	LENNAR LAYTON LLC	
303-43-010K	BETA BUSINESS ORG	
303-43-023A	BETA BUSINESS ORG	
303-43-020L	GERMAINE, Norm/Cara	
303-43-020M	ANDREA, Tony/Sally	
303-43-006D	EASTBOURNE GILBERT LLC	
303-43-006E	EASTBOURNE GILBERT LLC	
304-74-005E	DAVID PROJECT LP	
304-74-015B	LA PAGLIA, Jesus/Geneva	
304-74-191	BROOKS RANCH HOA	
304-74-190	BROOKS RANCH HOA	
304-76-602	REIDS RANCH PROPERTY HOA	
304-76-609	REIDS RANCH PROPERTY HOA	
304-74-008B	REIDS RANCH PROPERTY HOA	
304-74-010E	PAK, John/Meeja	
304-74-010G	BGJ INVESTMENTS LLC	
304-74-010C	PAK, John/Meeja	
303-44-003C	CITY OF CHANDLER	
303-44-003B	R.W.C.D.	
303-44-004B	R.W.C.D.	
303-44-004C	GUTHRIE, Lyle/Karleen	
303-44-020F	KREGLE, Kevin/ANDERSON, R.	
303-44-020H	BARNES, Euell Lyle Trust	
303-44-018F	R.W.C.D.	
*304-82-001D	RIGGS, Darnell L., Aytanya R.	
304-82-001E	AMBERWOOD HEIGHTS DVLPMT LLC	
304-82-246	MESQUITE GROVES ESTATES HOA	
304-82-247	LDR-RIGGS & GILBERT LLC	
303-55-018C	R.W.C.D.	
303-55-019G	RIGGS & GILBERT LLC	
303-55-019E	SAFEWAY INC.	
304-84-967	SPRINGFIELD LAKES HOA	
303-56-953	COOPER COMMONS HOA	
303-89-400	SUN RIVER HOA	
303-89-097	SUN RIVER HOA	
304-73-002B	R.W.C.D.	
304-73-002G	R.W.C.D.	1 contingent
304-82-238	MESQUITE GROVES ESTATES HOA	1 contingent
		1 contingent

EXHIBIT "B"
SCOPE OF WORK LETTER

Compliance with A.R.S. § 41-4401. 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").

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.

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.

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.

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.

In accordance with A.R.S. §35-393.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Iran.

In accordance with A.R.S. §35-391.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Sudan."

EXHIBIT "B" CONTINUED

**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.

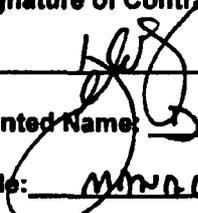
By completing and signing this form the contractor shall attest that it and all subcontractors performing work under the cited State contract meet all conditions contained herein.

Project Number/Division: CIP ST0809
Name (as listed in the contract): Dennis Lopez - Dennis Lopez & Associates, L.L.C.
Street Name and Number: 8631 S. Priest Drive, Suite 103
City: Tempe State: AZ Zip Code: 85284

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; and
3. The contractor has identified all contractor and subcontractor employees who perform work under the contract and has verified compliance with Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214.

Signature of Contractor (Employer) or Authorized Designee:



Printed Name: DENNIS L. LOPEZ
Title: MANAGING MEMBER
Date (month/day/year): 2-18-10

E-VERIFY ATTACHMENT

EXHIBIT

Compliance with A.R.S. § 41-4401. 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").

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.

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.

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.

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.

In accordance with A.R.S. §95-393.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Iran.

In accordance with A.R.S. §35-391.06, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Sudan."