



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA  
Memo No. CP15-104**

**1. Agenda Item Number:**  
**33**

**2. Council Meeting Date:**  
October 23, 2014

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** October 1, 2014

**THROUGH: CITY MANAGER**

**4. Requesting Department:** Transportation & Development

**5. SUBJECT:** Construction contract to Salt River Project (SRP) for removal of existing cast-in-place pipe with reinforced concrete pipe and installation of two (2) new manholes on Queen Creek Road

**6. RECOMMENDATION:** Staff recommends City Council award a construction contract to Salt River Project (SRP), for removal of existing cast-in-place pipe with reinforced concrete pipe and installation of two (2) new manholes on Queen Creek Road, to accommodate the Old Price Road and Queen Creek Road Intersection Improvements, Project No. ST1305.501, in an amount not to exceed \$253,241.00.

**7. BACKGROUND/DISCUSSION:** To allow improvements at the intersection of Old Price Road and Queen Creek Road and further east on Queen Creek Road, SRP must remove about 450 linear feet of existing 36-inch diameter cast-in-place pipe, install new 36-inch reinforced concrete (Class V) pipe, and install two (2) new manholes along existing Queen Creek Road, east of the intersection with Old Price Road. The manholes are necessary for proper termination of the new reinforced concrete pipe with existing cast-in-place pipe sections that are unaffected by the City's capital project (ST1305). SRP has prior rights; therefore, the City of Chandler is required to reimburse SRP for associated costs. A design contract for this work was executed with SRP in September 2014.

**8. EVALUATION:** SRP will be self-performing the associated work prior to the start of the intersection improvements construction.

**9. FINANCIAL IMPLICATIONS:**

Cost: Removal, Replacement of Pipeline, Installation of Manholes \$253,241.00

**Fund Source:**

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
411.3310.6517.0.6ST529	GO Bonds	Old Price/Queen Creek Intersection	Yes	\$253,241.00

**10. PROPOSED MOTION:** Move City Council award a construction contract to Salt River Project (SRP), for removal of existing cast-in-place pipe with reinforced concrete pipe and installation of two (2) new manholes on Queen Creek Road, to accommodate the Old Price Road and Queen Creek Road Intersection Improvements, Project No. ST1305.501, in an amount not to exceed \$253,241.00.

**ATTACHMENTS:** Location Map, SRP Contract

**APPROVALS**

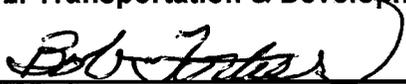
**11. Requesting Department**

  
Daniel W. Cook, Interim City Engineer / Transportation Manager

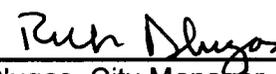
**13. Department Head**

  
R.J. Zeder, Transportation & Development Director

**12. Transportation & Development**

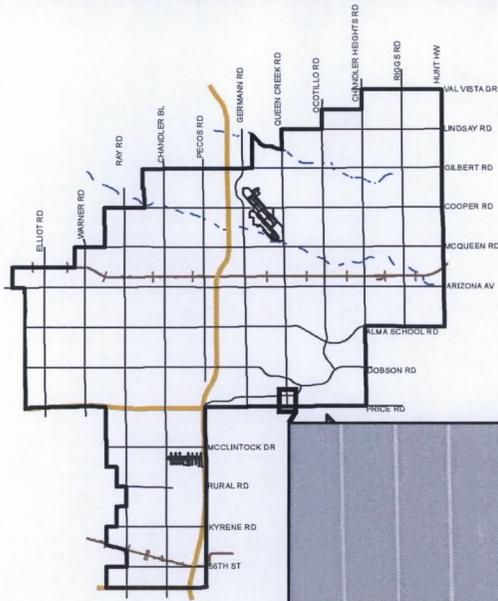
  
Bob Fortier, Capital Projects Manager

**14. City Manager**

  
Rich Dlugas, City Manager



# OLD PRICE & QUEEN CREEK ROADS INTERSECTION IMPROVEMENTS DESIGN PROJECT NO. ST1305.501



MEMO NO. CP15-104



PROJECT SITE





**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 Old Price Rd & Queen Creek Rd located at Old Price Rd & Queen Creek Rd, 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 perform the Work listed on the Construction Bid Summary Section I, and optional Section II if offered by SRP and selected by the City. The Construction Bid Summary is attached hereto as Exhibit A. The Work is further detailed in SRP's Plans & Specifications, which are attached hereto as Exhibit B.
- 2) City shall select the desired option below by checking the box.
  - OPTION A (NOT AVAILABLE)- Work that must be performed by SRP. City shall pay SRP \$ \_\_\_\_\_ as set forth in Section I of Exhibit A.
  - OPTION B - Work that must be performed by SRP and optional pipeline construction by SRP. City shall pay SRP \$253,241.00 as set forth in Sections I and II of Exhibit A.
- 3) 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.
- 4) 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.
  - 5) This Agreement shall be governed in all respects by the laws of the state of Arizona.
  - 6) 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.
  - 7) 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.
  - 8) 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.
  - 9) This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511.
  - 10) This Agreement is subject to the provisions of ARIZ. REV. STAT. § 42-17106.
  - 11) Notices:



If to City:  
City of Chandler  
Mr. Steve DiDomenico  
P.O. Box 4008  
Mail Stop 410  
Chandler, AZ 85244-4008

If to SRP:  
SRP  
Attn: Kyle Tilghman  
Water Engineering, MS SSW303  
P.O. Box 52025  
Phoenix, Arizona 85072-2025

- 12) This Agreement is binding upon the Parties hereto, their respective successors and assigns.
- 13) 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.
- 14) 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.
- 15) 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.
- 16) 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.
- 17) 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.
- 18) 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.

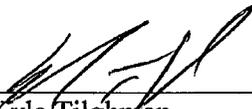


- 19) This Agreement is not intended to constitute, create, give rise to, or otherwise recognize a joint venture, partnership or formal business association or organization of any kind, and the rights and obligations of the Parties shall be only those expressly set forth in this Agreement. The Parties 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.
- 20) 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.
- 21) 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.
- 22) 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

"City"  
City of Chandler, an Arizona  
municipal corporation

  
\_\_\_\_\_  
Kyle Tilghman  
Manager  
Water Engineering

\_\_\_\_\_  
City Representative

9/30/14  
\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Title of Representative

\_\_\_\_\_  
Date Signed

**APPROVED AS TO FORM**

**CITY ATTORNEY** *GAB*



**EXHIBIT A**  
**Construction Bid Summary**

File No: WD-43008

WD-43008  
 City of Chandler  
 Old Price Road and Queen Creek Road  
*(Queen Creek Rd east of Old Price Rd)*

**SECTION I - Items by SRP**

Item	Item Description	Unit	Quantity	\$/Unit	Bid	Net Bid
1.	Inspection	LS	1	1,020	1,020	1,020
2.	Survey	LS	1	4,173	4,173	4,173
3.	Administrative Support	LS	1	496	496	496
4.	Construction Engineering	LS	1	1,985	1,985	1,985
5.	As Built Drawings	LS	1	1,863	1,863	1,863
6.	Project Supervision	LS	1	720	720	720
7.	Cost & Scheduling	LS	1	1,934	1,934	1,934
<b>SECTION I TOTALS</b>					<b>\$12,191</b>	<b>\$12,191</b>

**SECTION II - Bid Items**

Item	Item Description	Unit	Quantity	\$/Unit	Bid	Net Bid
1.	36" RGR Conc Pipeline CL5	LF	450	244	109,662	109,662
2.	Manholes	EA	2	18,156	36,311	36,311
3.	Remove Light Poles	EA	2	2,500	6,152	6,152
4.	Trucking & Dump Fees	LS	1	16,019	16,019	16,019
5.	Barricades, Security, Trench Safety	LS	1	28,298	28,298	28,298
6.	Misc Construction Items	LS	1	9,029	9,029	9,029
7.	Construction Supervision	LS	1	5,840	5,840	5,840
8.	Misc Removal Items	LS	1	29,739	29,739	29,739
<b>SECTION II TOTALS</b>					<b>\$241,050</b>	<b>\$241,050</b>

Summary:	SECTION I - Items by SRP	\$12,191
	SECTION II - Bid Items	\$241,050
	<b>NET BID =</b>	<b>\$253,241</b>

**NOTES:**

1. Items listed within Bid Summary constitute a total bid which is valid until November 30, 2014.
2. This Estimate was prepared with input from Water Construction East.
3. This Estimate Excludes restoration of curb, sidewalk, and landscape. Any patching will be with temp coldmix.
3. Miscellaneous Construction Items include mobilization, dust control, and bluestake.

rb- 8.30.2014