



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA07-227**

1. Agenda Item Number:
28
2. Council Meeting Date
April 12, 2007

TO: MAYOR & COUNCIL
THROUGH: CITY MANAGER

3. Date Prepared: March 26, 2007
4. Requesting Departments: Public Works

5. SUBJECT: Approve Amendment No. 1 to the Salt River Project (SRP) for removal of existing overhead 12 kilovolt (kV) power lines and the relocation of electrical equipment for the Alma School Road and Warner Road Intersection Improvements, Project No. ST0134-307, in an amount not to exceed \$12,184, for a total contract price of \$104,685.

6. RECOMMENDATION: Staff recommends that Council approve Amendment No. 1 to the Salt River Project (SRP) for removal of existing overhead 12 kilovolt (kV) power lines and the relocation of electrical equipment for the Alma School Road and Warner Road Intersection Improvements, Project No. ST0134-307, in an amount not to exceed \$12,184, for a total contract price of \$104,685.

7. BACKGROUND/DISCUSSION: The Alma School Road and Warner Road Intersection Improvement project is necessary to relieve congestion at this high traffic volume major arterial intersection. Salt River Project (SRP) must remove existing overhead 12 kilovolt (kV) power lines along Warner Road, relocate five cabinets, and one transformer to accommodate the new street improvements. Since SRP has prior rights, the City is required to reimburse them for associated costs to relocate their utilities.

The original contract was awarded in 2005. This contract amendment provides for increases in material and labor costs.

8. EVALUATION: Salt River Project reported that material and labor costs increased. The increase is a combination of raw material prices, market demand, and increased transportation costs.

9. FINANCIAL IMPLICATIONS:

Original Contract Amount:	\$92,501		
		Percent of	
	Amount of	Original	
	<u>Amendment</u>	<u>Contract</u>	
Contract Amendment No. 1:	\$12,184	13%	Material and Labor Cost Increases
New Contract Amount:	\$104,685		

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
411.3310.0000.6517.4ST317	Go Bonds - Streets	Alma School and Warner	FY03/04	\$12,184

PROPOSED MOTION: Move that Council approve Amendment No. 1 to the Salt River Project (SRP) for removal of existing overhead 12 kilovolt (kV) power lines and the relocation of electrical equipment for the Alma School Road and Warner Road Intersection Improvements, Project No. ST0134-307, in an amount not to exceed \$12,184, for a total contract price of \$104,685.

ATTACHMENTS: Location Map

APPROVALS

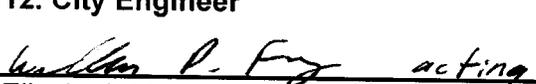
11. Requesting Department


Michael Normand, Acting Assistant Public Works
Director/Transportation & Operations

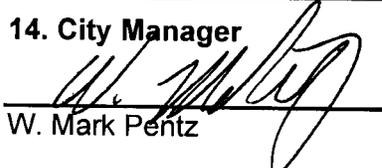
13. Department Head


Daniel W. Cook, Acting Public Works Director

12. City Engineer

 acting
Elizabeth M. Huning, Assistant Public Works
Director/City Engineer

14. City Manager


W. Mark Pentz



CONSTRUCTION SERVICES CONTRACT (Municipal Distribution)

Agency & Municipal Projects
XCT 341
P.O. Box 52025
Phoenix, AZ 85072-2025

Agency & Municipal Fax 602.220-1164
Cost Center: 82520

SRP COPY PLEASE SIGN AND RETURN WITH PAYMENT

Date **03/19/07**

To: City of Chandler
Lori Ali
215 E Buffalo
Chandler AZ 85225

The Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona (SRP) and **City of Chandler**, a municipal corporation organized and existing under the laws of the State of Arizona (City) enter into this contract (Contract) for the construction of electrical facilities for the following City project (Project):

Project Name: ALMA SCHOOL/WARNER INTERSCTN

Location: ALMA SCHOOL/WARNER RD

Job Order Number: KE6-293 JE2-426 KEL-26

ST0134-201

Customer acknowledges that it previously entered into a design services contract with SRP for the Project. City now desires SRP to proceed with construction of the Project in accordance with the design drawings delivered by SRP pursuant to the design services contract.

This Contract includes the attached Electrical Design and Construction Terms and Conditions, and describes the general obligations of SRP and the City. Any changes, amendments or modifications to this Contract shall be in writing and shall be signed by both parties.

In consideration of the work to be performed by SRP, City shall pay SRP the following non-refundable fees:

Job Number	Description	Cost	Survey	Trench, Conduit
KE6 -293	Lower Conduit	\$ 6,473.00		
JE2 -426	O/H Removal	\$ 3,691.00		
KEL-26	Street Light	\$ 2,020.00		
Total:		\$12,184		

SRP shall not be required to perform inspections or begin any construction or installation work on the Project until City (i) signs and returns this Contract, (ii) accepts the completed design drawings by signing them, (iii) pays SRP the fees set forth above, (iv) provides SRP the approved City permit(s) and (v) provides to SRP a copy of a deed or deeds evidencing ownership of all of the real property that is encompassed within or will be affected by the Project or other written documentation acceptable to SRP that establishes City's authority in connection with the Project. If City is unable to provide such documentation, and as a result SRP is required to modify its designs for the Project, City shall be responsible for paying additional costs of the redesign work. If City changes the Project, or if there is any change to the information regarding the Project provided by City and relied upon by SRP, SRP will charge City and City shall pay for any additional costs incurred by SRP, including but not limited to redesign and engineering costs.

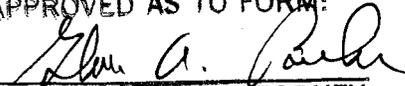
SRP's delivery of this Contract to City constitutes an offer to perform the construction services on the terms and conditions set forth in this Contract. City may accept this offer by signing this Contract (with no additions, deletions or modifications) and returning it to SRP. This offer shall expire if City has not signed and returned this Contract to SRP within 120 day of the date first set forth above.

City understands and agrees to the terms and conditions of this Contract. The undersigned represents and warrants that he or she has the authority to enter into this Contract on behalf of City.

ACCEPTED: City signature, title, Date
FOR: _____

Al Baizel, Project Leader, SRP Date
602.236.0840

APPROVED AS TO FORM:



CHANDLER CITY ATTORNEY

Electrical Design and Construction Terms and Conditions

1. The existing applicable SRP Rules and Regulations, as they may be amended or revised from time to time by SRP, and all terms and conditions thereof, are adopted and incorporated herein by reference as part of this Contract except as specifically modified herein. The Rules and Regulations can be found at <http://www.srpnnet.com> and are on file at the principal offices of SRP.
2. SRP shall construct all electric facilities up to the point(s) of delivery, including any connections to electric, in accordance with the SRP Rules and Regulations and SRP construction specifications and practices.
3. City shall timely provide SRP all drawings and data requested by SRP that are pertinent to the design of the City Project. SRP shall review such drawings and data for compatibility with SRP facilities and shall have sole discretion in determining whether the City facilities may be used with SRP's facilities.
4. Before beginning construction, City shall provide SRP executed originals of the construction services contract, all requested easements, including any easements required from third parties, for SRP to access and maintain the electric facilities installed under this Contract, using SRP's standard form(s) of easement. City, at all times, shall permit SRP to access and maintain any SRP electric facility on City property. City understands and agrees that SRP shall have no obligation to provide electric service to the Project unless and until City has provided all such easements.
5. City shall require that any construction work performed by CUSTOMER or its contractor or subcontractor shall be in accordance with national and local building and safety codes, the SRP Electric Service Specifications and construction drawings, and the Electric Utility Service Entrance Requirements Committee.
6. City shall secure all required State, County, and local permits and approvals.
7. If City decides to provide trenching, provision and installation of conduit, backfilling and/or surveying, ("City Work"), then all City Work shall conform to SRP's standards, and City shall permit SRP to inspect, at any time, any City Work or City-provided facility. If City decides to provide surveying, then City shall be responsible for setting or verification of road right-of-way monuments and/or construction staking, and City shall forward all results of survey to SRP for review and approval. If, at the time of inspection, there are no offset stakes to enable SRP to verify that the facilities are installed within the easements granted to SRP, SRP's Survey Department will reset the offset stakes at City's expense. Any inspection by SRP shall not be deemed an approval of any City-provided facility or a waiver by SRP of any right to enforce strict compliance with the terms and conditions of this Contract.
8. SRP shall not be responsible for, and City shall indemnify, defend and hold harmless SRP and members of its governing bodies, its officers, agents and employees, for, from and against any and all claims, demands, suits, costs of defense, attorneys' fees, witness fees of any type, losses, damages, expenses and liabilities ("Claims") arising out of or relating to City's performance of the City Work, including without limitation Claims arising out of the performance of City Work on property not owned by City or outside of the easements provided to SRP under Section 4 of this Contract.
9. City shall not install any curb, sidewalk, paving, or any conflicting foundation within the development boundaries until SRP completes the installation of the electric facilities.
10. City, upon demand, shall reimburse SRP for the costs of relocation of facilities found to be installed at the wrong location or grade due to City-requested changes in property lines, easement grade,

**Electrical Design and Construction
Terms and Conditions
(Continued)**

and/or errors in staking, trenching, or survey when such work is performed by City or a contractor retained by City.

11. City shall indemnify, defend, and hold harmless SRP, the members of its governing bodies, and its directors, officers, employees, agents and contractors for, from and against any loss, damage, liability, cost, or expense incurred by SRP, members of its governing bodies, directors, officers, employees, agents or contractors arising out of any act or omission of City, or its officials, employees, agents, contractors, or subcontractors. City's obligation under this section shall extend to defend SRP when SRP, or members of its governing bodies, directors, officers, employees, agents or contractors are allegedly concurrently negligent with City, its officials, employees, agents, contractors, or subcontractors, but shall not extend to any liability caused by the sole negligence of SRP. City shall release SRP from any loss, damage, liability, cost, or expense incurred by City arising out of (i) any delay by SRP in performing, completing, or inspecting any work or (ii) any loss or damage to any installation prohibited by Section 9.
12. This Contract shall be interpreted, governed by and construed in accordance with the substantive and procedural laws of the State of Arizona, without regard to conflicts of law principles. SRP and City agree that any action, suit, or proceeding arising out of or relating to this Contract shall be initiated and prosecuted in a state or federal court of competent jurisdiction located in Maricopa County, Arizona, and the parties irrevocably submit to the jurisdiction and venue of such court. To the fullest extent permitted by law, SRP and City hereby irrevocably waive any and all rights to a trial by jury and covenant and agree that neither will request a trial by jury, with respect to any legal proceeding arising out of or relating to this Contract.
13. The title to all work performed by SRP, or performed by City at SRP's request and accepted by SRP, shall remain with SRP at all times.
14. City shall meet with an SRP inspector before construction begins. The meeting may be scheduled by calling the SRP contact name and phone number specified on the Project drawings.
15. If City requires SRP to relocate any electrical facilities installed and paid for by the City pursuant to this Contract, in addition to providing SRP with a new easement for such relocated facilities, City shall reimburse SRP for all costs associated with moving the relocated facilities. City's reimbursement obligations shall also continue to apply for subsequent relocations. SRP shall be responsible for costs associated with moving any facilities installed pursuant to this Contract but not paid for by the City.