



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA07-083**

1. Agenda Item Number:
52
2. Council Meeting Date
June 14, 2007

TO: MAYOR & COUNCIL

3. Date Prepared: May 24, 2007

THROUGH: CITY MANAGER

4. Requesting Departments: Public Works

5. SUBJECT: Award a design and construction contract to Salt River Project (SRP) for removal and placement of Salt River Project 69 kilovolt (kV) transmission poles for the Riggs Road Improvements (Gilbert Road to Val Vista Drive), Project No. ST0613-301, in an amount not to exceed \$280,000.

6. RECOMMENDATION: Staff recommends that Council award a design and construction contract to Salt River Project (SRP) for removal and placement of Salt River Project 69 (kV) kilovolt transmission poles for the Riggs Road Improvements (Gilbert Road to Val Vista Drive), Project No. ST0613-301, in an amount not to exceed \$280,000.

7. BACKGROUND/DISCUSSION: The Riggs Road Improvements from Gilbert Road to Val Vista Drive consist of designing and constructing three through lanes in each direction with left turn lanes, right turn lanes, bus bays, bike lanes, new traffic signals, raised landscaped medians, street lights, curb, gutter, sidewalk, and retention basins for storm drainage.

SRP must remove nineteen existing 69 kV transmission poles and install fourteen new 69 kV transmission poles to accommodate the Riggs Road Improvements (Gilbert Road to Val Vista Drive). SRP has prior rights so the City must reimburse the relocation costs. Pole relocation will commence Fall 2008.

Future Council action required for the 12 kV distribution design and construction contract.

8. EVALUATION: City of Chandler reviewed costs. SRP self performs removal and placement of transmission poles.

SRP reported that steel pole prices in the last year increased 22%. The increase was a combination of raw material prices (steel), market demand, and increased transportation costs. A 22% contingency is added to the SRP design and construction contract.

9. FINANCIAL IMPLICATIONS:

Cost: \$280,000

Savings: N/A

Long Term Costs: N/A

Fund Source:

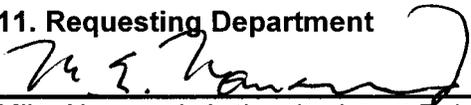
<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
415.3310.0000.6517.7ST547	Arterial Street Impact Fees	Riggs (Gilbert to Val Vista)	FY06/07	\$140,000
217.3310.0000.6517.7ST547	County Grant	Riggs (Gilbert to Val Vista)	FY06/07	\$140,000

10. PROPOSED MOTION: Move that Council award a design and construction contract to Salt River Project (SRP) for the removal and placement of Salt River Project 69 kilovolt (kV) transmission poles for the Riggs Road Improvements (Gilbert Road to Val Vista Drive), Project No. ST0613-301, in an amount not to exceed \$280,000.

ATTACHMENTS: Location Map

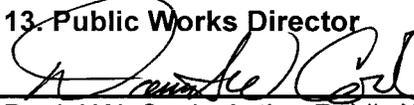
APPROVALS

11. Requesting Department



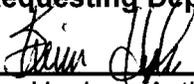
Mike Normand, Acting Assistant Public Works Director/Transportation & Operations

13. Public Works Director



Daniel W. Cook, Acting Public Works Director

12. Requesting Department



Sheina Hughes, Acting Assistant Public Works Director/City Engineer

14. City Manager



W. Mark Pentz



Chandler - Arizona

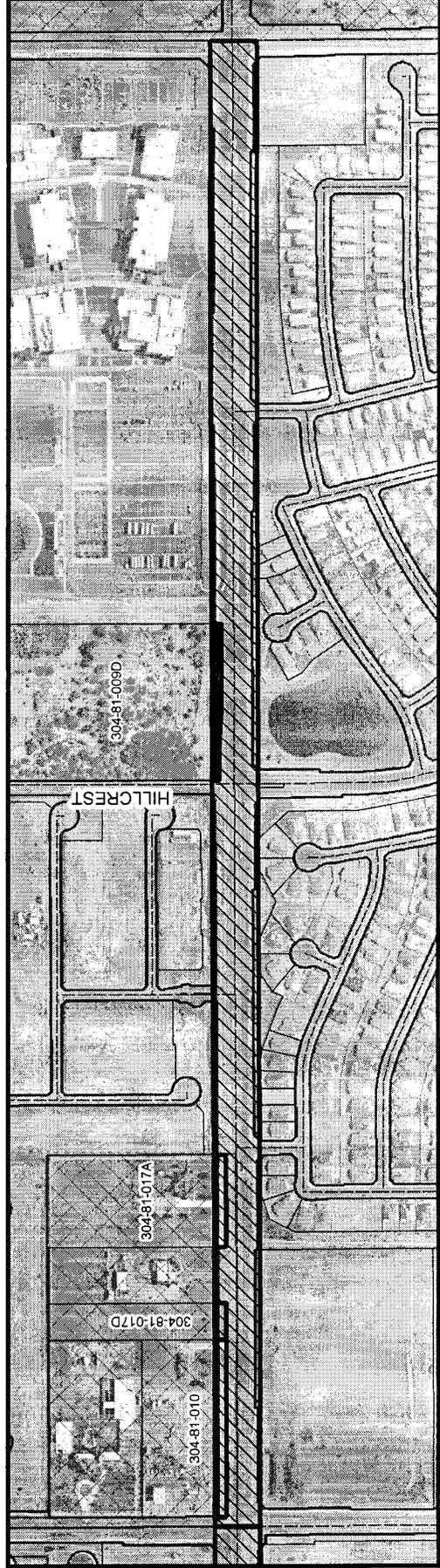
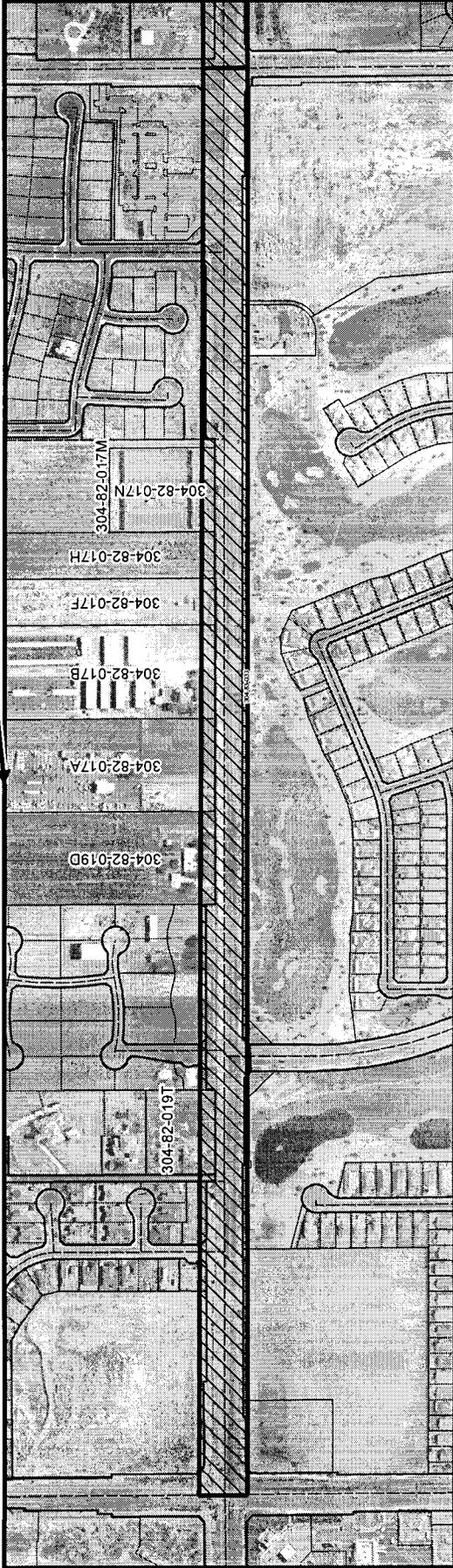
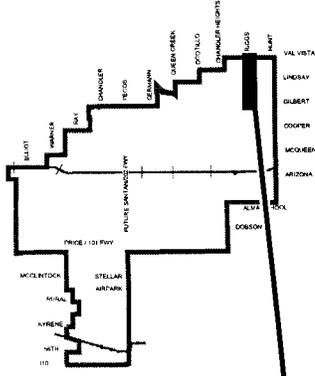


NTS Chandra

 ROAD IMPROVEMENTS

RIGGS ROAD IMPROVEMENTS FROM GILBERT RD. TO VAL VISTA DR.

MEMO NO. CA07-083





DESIGN SERVICES CONTRACT (Municipal Transmission)

Transmission Line Design
XCT 315
P.O. Box 52025
Phoenix, AZ 85072-2025
Cost Center 82620

Transmission Line Design Fax 602-236-8069
Expeditor: 602-236-0841
File: XA3-3697.06
Ref: SDCE-85

Date May 29, 2007

To: Lori Ali, City of Chandler Utility Coordinator
P.O. Box 4008 Mail Station 410
Chandler, AZ 85244-4008

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 the **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 design of electrical facilities for the following City project (Project):

Project Name and Number: RIGGS RD, GILBERT TO VAL VISTA 69Kv RELOCATION
Location: RIGGS RD, GILBERT TO VAL VISTA
SRP Job Order Number: XA3-3697

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.

City understands that SRP will not begin design until City signs and returns this Contract. Upon receipt of the signed Contract, SRP will commence design and defer collecting any design fees or costs until the parties execute a contract for construction of the Project.

Upon completion of the job design, SRP shall provide to the City a set of design drawings and a contract for construction of the Project. If City desires SRP to proceed with construction of the Project in accordance with the design drawings, City shall execute and return the construction contract and pay SRP the specified fees for construction of the Project. City acknowledges and agrees that the fees payable under the construction contract will include the design fees and costs incurred by SRP under this Contract. If City cancels the Project at any time, or if City fails to execute a contract with SRP for construction of the Project within 120 days after SRP delivers design drawings for the Project to City, City agrees to reimburse SRP for the design fees and costs incurred by SRP under this Contract.

For informational purposes only, the following conceptual Project estimate is provided to the City. This conceptual estimate is non-binding.

Conceptual Job Estimate: \$280,000

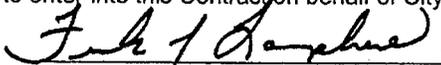
SRP shall not be required to perform inspections or begin any construction or installation work on the Project until City (i) approves and returns the signed construction services contract that will be provided upon completion of this design services contract, (ii) accepts the completed design drawings by signing them and returning a copy to TLD, (iii) pays SRP the specified fees for construction of the Project, (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 before SRP will begin any construction or installation work under this Contract. 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 design 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: _____

 5.29.07
Frank J. Lamphere, Manager TLD, SRP Date
602.236.8080

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.srpnet.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 City 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.