



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA  
Memo No. CA08-288**

**1. Agenda Item Number:** 41  
**2. Council Meeting Date:** June 26, 2008

**TO: MAYOR & COUNCIL**  
**THROUGH: CITY MANAGER**

**3. Date Prepared:** June 9, 2008  
**4. Requesting Department:** Public Works

**5. SUBJECT:** Award a Construction Manager at Risk contract to Achen-Gardner Engineering for Gilbert Road Improvements (Germann Road to Queen Creek Road), Project No. ST0625-401, in an amount not to exceed \$8,831,745.

**6. RECOMMENDATION:** Staff recommends that Council award a Construction Manager at Risk contract to Achen-Gardner Engineering for Gilbert Road Improvements (Germann Road to Queen Creek Road), Project No. ST0625-401, in an amount not to exceed \$8,831,745.

**7. BACKGROUND/DISCUSSION:** Gilbert Road from Germann Road to Queen Creek Road is a major arterial corridor that carries high volumes of traffic between the Santan Freeway and southeast Chandler. Additionally, it serves as an access point for the ongoing commercial and industrial development near the Chandler Airport.

This project will construct improvements to Gilbert Road between Germann Road and Queen Creek Road, including widening the section to six-lane arterial standards with a landscaped median, bike lanes, curb, gutter, and sidewalk, right and left turn lanes, bus pullouts, utility infrastructure, and permanent traffic signal installations at Queen Creek Road and at Ryan Road. Also, the north side of Queen Creek Road will be improved from Gilbert Road to one-third mile east of the intersection, and the median will be installed on Queen Creek Road for a short distance to the west of the intersection. Finally, the Roosevelt Water Conservation District canal on the north side of Queen Creek Road will be under-grounded from approximately one-third mile east of Gilbert Road to one-half mile west of Gilbert Road. The duration of construction will be approximately seven months.

**8. EVALUATION:** The City's selection process was developed in accordance with state law for Construction Manager at Risk services. Staff solicited and received statements of qualifications from eight (8) interested contractors in July 2007. The selection committee consisted of:

- Paul Young, Senior Engineer
- Tim Krawczyk, Engineering Project Manager
- Bob Carter, Registered Contractor
- Gene Larson, Resident

The three contractors short-listed were Nesbitt Contracting, Achen-Gardner Engineering, and Pulice Construction. Achen-Gardner Engineering was determined the best firm based on their qualifications. The costs proposed for this project were compared to staff estimates and historical construction services prices.

**9. FINANCIAL IMPLICATIONS:**

Cost: \$8,831,745  
Savings: \$2,900,000 Projected reimbursements from development agreements  
Long Term Costs: \$21,000/yr

**Fund Source:**

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
415.3310.0000.6517.7ST482	Arterial Street Impact Fees	Gilbert Road (Germann to Queen Creek)	FY06/07	\$3,078,900.00
415.3310.0000.6517.8ST482	Arterial Street Impact Fees	Gilbert Road (Germann to Queen Creek)	FY07/08	\$3,614,649.72
217.3310.0000.6517.8ST482	Grants in Aid	Gilbert Road (Germann to Queen Creek)	FY07/08	\$ 710,000.00
601.3820.0000.6714.8WA110	Water Operating	System Upgrades During Street Repairs	FY 07/08	\$ 485,599.20
615.3910.0000.6817.8VW332	Wastewater Operating	Replacement Sewer Mains	FY 07/08	\$ 485,599.20
615.3910.0000.6817.8VW332	Wastewater Operating	Replacement Sewer Mains	FY 07/08	\$ 456,996.88

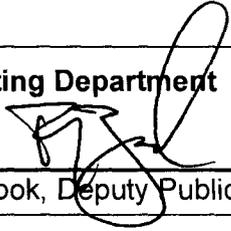
**10. PROPOSED MOTION:** Move that Council award a Construction Manager at Risk contract to Achen-Gardner Engineering for Gilbert Road Improvements (Germann Road to Queen Creek Road), Project No. ST0625-401, in an amount not to exceed \$8,831,745, and authorize the Mayor to sign the contract documents.

**ATTACHMENTS:** Location Map

**APPROVALS**

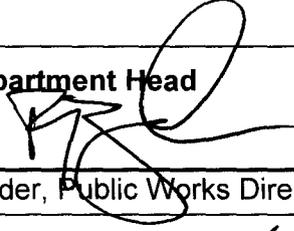
**11. Requesting Department**

*RJR*



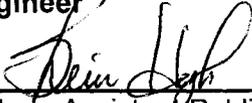
Daniel W. Cook, Deputy Public Works Director

**13. Department Head**



R.J. Zeder, Public Works Director

**12. City Engineer**



Sheina Hughes, Assistant Public Works  
Director/City Engineer

**14. City Manager**

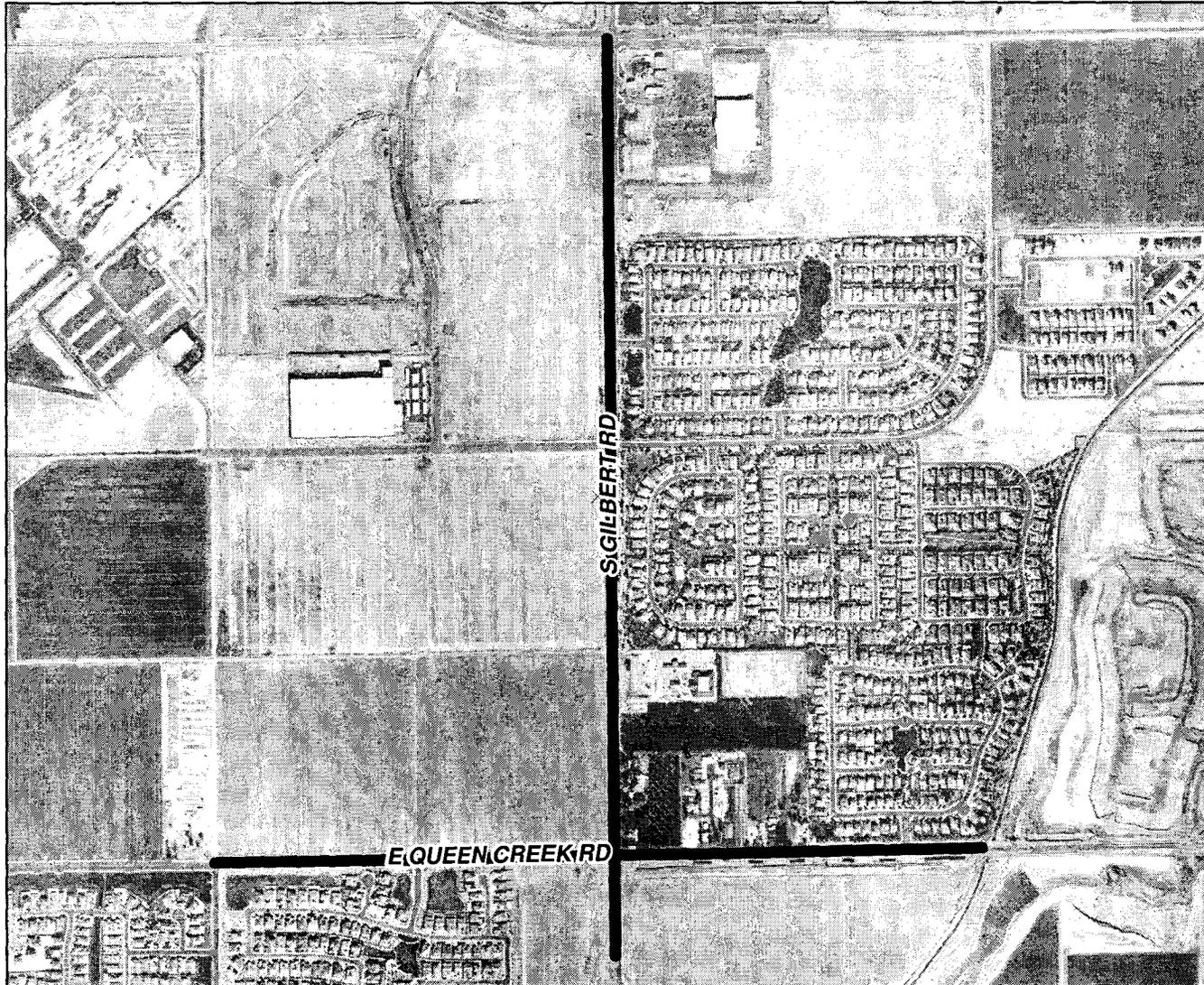
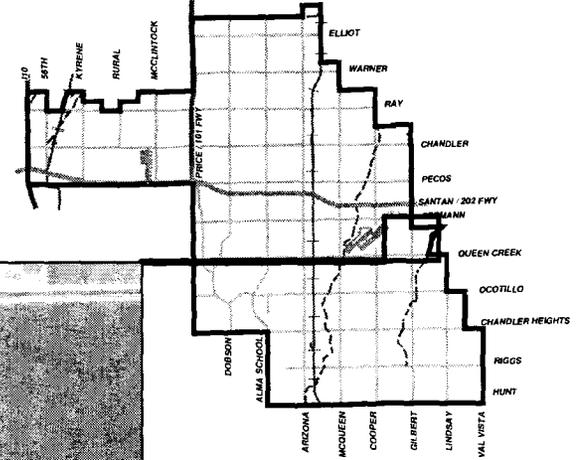


W. Mark Pentz



Charter - Arizona

# GILBERT ROAD IMPROVEMENTS PROJECT NO. ST0625-401



**MEMO NO. CA08-288**

**PROJECT LIMITS**



NTS  
CharGIS

**CONSTRUCTION MANAGER AT RISK  
CONSTRUCTION CONTRACT**

**PROJECT TITLE: Gilbert Road Improvements (Germann Road to Queen Creek Road)**  
**PROJECT NO: ST0625-401**

This CONTRACT is made this \_\_\_\_\_ day of \_\_\_\_\_, 2008, by and between the City of Chandler, 215 E. Buffalo Street, Chandler, Arizona 85225, (hereinafter referred to as "CITY,") and **Achen-Gardner Engineering, LLC, limited liability company licensed to do business in the State of Arizona**, (hereinafter referred to as "CM@RISK.")

CITY and CM@RISK, in consideration of the mutual covenants hereinafter set forth, agree as follows:

**1. ARTICLE ONE – CITY’S STANDARD CONSTRUCTION GENERAL CONDITIONS**

The City’s General Conditions for Construction Contracts are incorporated herein by reference and the parties agree to be bound by all provisions therein. If any of the provisions of the conflict with the City’s General Conditions for Construction Contracts, the parties are bound by the General Conditions. For the purposes of this Agreement, references to CONTRACTOR and to CM@RISK in said General Conditions refer to CM@RISK herein.

**2. ARTICLE TWO – DEFINITIONS**

Words used in this Agreement which are defined in CITY’s General Conditions for Construction Contracts shall have the meaning stated therein. CM@RISK is the CONTRACTOR as defined in said General Conditions.

**2.1.** “Construction Allowance Items” means those items included in the GMP as allowances, which items shall be paid based on the actual cost to CM@RISK as described in the City’s General Conditions for Construction Projects, Subsection 12.4., provided, however, no overhead or profit shall be included in the item as these are paid separately. The actual amounts paid for Allowance items shall be included in the Contract Price Subtotal by which the percentage for the Contractor’s fee for overhead and profit is multiplied.

**2.2.** “Guaranteed Maximum Price” (GMP) means the maximum amount to be paid by the City to CM@RISK for the performance of the Work which shall constitute payment in full for the furnishing of all materials, equipment, appurtenances, labor, plant and tools necessary to provide a complete workmanlike, finished and satisfactory Project as described herein.

**3. ARTICLE THREE – CM@RISK – FIDUCIARY DUTY**

**3.1.** This is a contract for complete construction services in accordance with the Construction Manager at Risk method of delivery of construction services. CM@RISK has participated in the design process and been an active member of the Project Design Team and is fully aware of any issues and constraints involved in this construction project.

**3.2.** CM@RISK is the CITY’s fiduciary responsible for undertaking all necessary action contemplated under the contract documents to construct the Project and ensure timely and quality completion of the project at a cost within the Guaranteed Maximum Price (GMP).

3.3. This project is an "open book" project. CITY is entitled to attend any and all meetings, and CITY shall have access to any and all records of CM@RISK or maintained by CM@RISK relating to the Project.

#### 4. ARTICLE FOUR – WORK

4.1. CM@RISK shall perform all work necessary to complete the Project described herein. The Project is known as and is hereinafter referred to as, CITY PROJECT NO. **ST0625-401** and is described as follows: construction of Gilbert Road Improvements (Germann Road to Queen Creek Road) described in the Contract Documents and including the furnishing of all materials, equipment, appurtenances, labor, plant and tools necessary to provide a complete workmanlike, finished and satisfactory Project as described herein. Each item shall be completed with all necessary connections, testing, painting and related work accomplished to provide for the satisfactory use and/or operation of the item.

4.2. CM@RISK shall complete, provide and perform, or cause to be performed, all work in a proper and workmanlike manner, with appropriate consideration for public safety and convenience, consistent with the highest standards of professional and construction practices and in full compliance with, and as required by or pursuant to, this Contract, and with the greatest economy, efficiency, and expediency consistent therewith all as more particularly described in the Contract Documents.

#### 5. ARTICLE FIVE – CITY'S REPRESENTATIVE

5.1. CITY has appointed a CITY'S REPRESENTATIVE (sometimes referred to as CITY REP and sometimes known as the Owner's Representative or Construction Manager) to manage this Project and to represent the CITY on the Project site. The CITY REP will assume all duties and responsibilities and will have all rights and authority assigned to the CITY REP in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents. Any references in the Contract Documents, or other pertinent documents, to the Engineer or Project Engineer shall mean the CITY REP.

5.2. The CITY'S Representative is Ray Buglion

#### 6. ARTICLE SIX - CONTRACT TIME

6.1. Completion time. The Work shall be substantially complete within **One Hundred Eighty (180)** days after the date when the Contract Times commence to run as provided in the Contract Documents, and all Work shall be finally completed and ready for final payment in accordance with the Contract Documents within **Two Hundred Ten (210)** days after the date when the Contract Times commences to run.

6.2. CPM Schedule. CM@RISK shall submit to CITY, on or before the effective date of the Construction Contract, a Construction Progress Schedule in Critical Path Method (CPM) format indicating the times for starting and completing the various stages of the Work, including any Milestones specified in this Contract and as more fully described in the General Conditions and other Contract Documents. Revisions/updates to the CPM schedule shall be submitted as often as necessary to accurately reflect plans for completion of the work, but no less frequently than required in the Contract Documents.

6.3. Time is of the Essence. All of the time limits for Milestones, if any, for Substantial Completion and for Final Completion and readiness for final payment as stated in the Contract Documents, are of the essence of the Contract.

6.4. No Waiver. Failure of CITY to insist upon the performance of any covenant or condition within the time periods specified herein, shall not constitute a waiver of CM@RISK'S duty to perform every other covenant or condition within the designated periods, unless a specific waiver is granted in writing for each such covenant or condition.

6.5. Specific Waiver. CITY'S agreement to waive a specific time provision or to extend the time for performance shall not constitute a waiver of any other time provisions contained in the Contract Documents. Failure of CM@RISK to complete performance promptly within the additional time authorized in the waiver or extension of time agreement shall constitute a material breach of this Contract entitling CITY to all the remedies set forth herein or provided by law.

6.6. Material Breach. Failure of CM@RISK to perform any covenant or condition contained in the Contract Documents within the time periods specified herein, shall constitute a material breach of this Agreement entitling CITY to terminate the Agreement unless CM@RISK applies for and receives an extension of time, in accordance with the procedures set forth in the Contract Documents.

6.7. Written Extensions. Failure of CITY to insist upon the performance of any covenant or condition within the time periods specified herein, or CITY's agreement to waive a specific time provision or to extend the time for performance shall not constitute a waiver of CM@RISK's duty to perform every other covenant or condition within the designated periods, unless a specific waiver is granted in writing for each such covenant or condition. Failure of CM@RISK to complete performance promptly within the additional time authorized in the waiver or extension of time agreement shall constitute a material breach of this Agreement entitling CITY to all the remedies set forth herein or provided by law.

## 7. ARTICLE SEVEN - LIQUIDATED AND SPECIAL DAMAGES

### 7.1. Liquidated Damages:

7.1.1. It is hereby agreed that the amounts per day set forth herein in paragraphs 7.1.2. are reasonable estimates of such damages, that said amounts do in fact bear a reasonable relationship to the damage that would be sustained by CITY, and CM@RISK agrees to pay such liquidated damages as herein provided.

7.1.2. CITY and CM@RISK recognize that time is of the essence of this Contract and that CITY will suffer financial loss, in addition to and apart from the costs described in Paragraph 7.2, if the Work and/or portions of the Work are not performed and completed within the times specified in Article Six, plus any extensions thereof allowed in accordance with the Contract Documents. CITY and CM@RISK also recognize the delays, expense, and difficulties involved in proving, through legal or arbitration proceedings, the actual loss suffered by CITY if the Work or portion of the Work is not completed on time. Accordingly, instead of requiring any such proof, CITY and CM@RISK agree that as liquidated damages for delay (but not as a penalty) CM@RISK shall pay CITY **Fourteen Hundred Twenty** dollars and no cents (**\$1420**) for each calendar day that expires after the time specified in Article Six for substantial completion, until the Work is substantially complete. After Substantial Completion, if CM@RISK shall neglect, refuse or fail to complete the remaining Work within the Contract Time or any proper extension

thereof granted by CITY, CM@RISK shall pay CITY **Seven Hundred Ten** dollars and no cents (\$710) for each day that expires after the time specified in Article Six for final completion and readiness for final payment.

**7.2. Special Damages:** In addition to the amounts provided for liquidated damages, CM@RISK shall pay CITY the actual costs reasonably incurred by CITY for the CITY REP, the Project Designer and for engineering and inspection forces employed on the Work for each day that expires after the time specified in Article Six for Final Completion, including any extensions thereof made in accordance with the Contract Documents, until the Work is finally complete. The rate for inspection services for this contract is One Hundred Forty Eight dollars (\$148 per) hour. The rate for work by the Project Designer for this Contract is One Hundred Ninety dollars (\$190) per hour. The rate for work by the CITY REP is One Hundred Ninety dollars (\$190) per hour. Each of these hourly rates is calculated at time and one half for work required to be performed during other than normal business hours

**7.3.** CITY may withhold and deduct from any payment due to CM@RISK the amount of liquidated damages, special damages, and other costs, such as CM@RISK'S failed testing costs or damages to other CITY property, from any moneys due CM@RISK under the Contract.

## **8. ARTICLE EIGHT - CONTRACT PRICE**

**8.1. Guaranteed Maximum Price.** The Guaranteed Maximum Price (GMP) is the total amount payable by the City to Contractor for the complete construction of the Project. CM@RISK represents, warrants and guarantees to CITY that the total maximum cost to be paid by CITY for CM@RISK's complete performance of this Contract, including, without limitation, Final Completion of all Work, all services of CM@RISK under this Contract, and all fees, compensation and reimbursements to CM@RISK, shall not exceed the total amount of **Eight Million Eight Hundred Thirty One Thousand Seven Hundred Forty Four dollars Seventy Four cents (\$8,831,744.74)** ("Guaranteed Maximum Price"). Costs which would cause the Guaranteed Maximum Price to be exceeded shall be paid by the CM@RISK without reimbursement by CITY.

**8.2. Guaranteed Maximum Price Components.** The Guaranteed Maximum Price is comprised of the maximum amount payable by CITY for:

**8.2.1.** The Cost of the Work for full and complete performance of the Work to complete the Project as described herein. The items to be included in Cost of Work are those listed in Section 12.4 of the City's General Conditions for Construction Projects, except that no overhead and profit shall be included in the cost of work and shall be subtracted out of items listed in 12.4 A 5) c and the items listed in 12.4.A 5) d and h are not included in the cost of the work. The Cost of the Work will be referred to as the Work Item Direct Costs. No additional payments will be made for any work included in and/or necessary for completion of the Project unless specifically noted and excluded from the GMP in the assumptions and clarifications of the GMP. Progress payments will be made based on the schedule of values, however, City reserves the right to audit the books of CM@RISK, at any time, to determine actual costs and to modify the schedule of values to better reflect actual costs of the work.

**8.2.2.** A fee to CM@RISK for Overhead and Profit which has been estimated for inclusion in the GMP to be the amount of Six Hundred Thirteen Thousand Eight Hundred Nineteen dollars Eighty Two cents (\$613,819.82) ("CM@RISK's Fee"). This fee shall be determined by multiplying the agreed upon percentages listed in the GMP by the Work

Item Direct Costs less the amounts listed for Contractor's General Conditions. This CM@RISK's Fee shall be the CM@RISK's sole and exclusive compensation for all costs not included in Subsections 8.2.1 or 8.2.3 herein and for those costs and expenses listed in Subsection 12.4 B and 12.5 of the City's General Conditions for Construction Projects, and is inclusive of all overhead and profit arising out of or relating to the CM@RISK's Work.

**8.2.3.** Reimbursement to CM@RISK by CITY for the cost of insurance, bonds and taxes actually incurred by CM@RISK for this Project.

**8.2.4.** The Guaranteed Maximum Price is further broken down into line items and categories on Exhibit A attached hereto.

**8.3.** Quantities. The quantities set forth in the GMP are used only for the purpose of substantiating and demonstrating the basis for the GMP submitted by CM@RISK and are not a part of this Contract nor any guarantee by CITY. CM@RISK shall install and perform such quantities as necessary to complete the Project in accordance with the Project description and the Contractor agrees to perform all of the Work for costs plus fees and reimbursements described herein, not to exceed the Guaranteed Maximum Price, regardless of whether or not the items or units are decreased or increased.

**8.4.** Cost Overruns. CM@RISK shall be solely liable and responsible for and shall pay any and all costs, fees and other expenditures in excess of the Guaranteed Maximum Price for and/or relating to the Work, without entitlement to reimbursement from CITY. CM@RISK is not entitled to any fee, payment, compensation or reimbursement under this Agreement or relating to the Work or Project other than as expressly provided in this Article 8.

**8.5.** Inferable Work (intent of the Project). CM@RISK agrees that the scope of the Guaranteed Maximum Price includes Work not expressly indicated on the Contract Documents, but which is reasonably inferable from the Project description and/or Contract Documents, or consistent therewith, and such Work shall be performed by CM@RISK without any increase in the Guaranteed Maximum Price.

**8.6.** Allowances. The GMP includes some work items with the cost listed as an allowance. Allowances are to be used specifically for the areas of work defined in the Contract Documents; provided however,

**8.6.1.** If the designated work is completed for less than the allowance, the surplus will revert to the project construction contingency.

**8.6.2.** If the designated work requires more than the allowance, the additional funds will be allocated by the CITY with assistance from CM@RISK within the GMP by transferring excess from other allowance items, value engineering or using less expensive means, methods or components or as a last resort reducing the scope of the Project.

**8.6.3.** A running balance sheet will be kept concerning the various allowances so that monies can be floated among the allowances to maintain the integrity of the overall GMP. Thus, savings in one area of work will be available to offset overruns in another area of work specifically associated with these allowances.

**8.7.** Construction Contingency. This GMP includes a dollar amount listed as a Construction Contingency which shall be readily available for increased costs for subcontractors, material

and equipment subject to prior approval of City, which approval will not be withheld unreasonably. The Construction Contingency may also be used, at the discretion of CITY, to reimburse CM@RISK for unexpected costs due to (a) scope gaps between trade subcontractors; (b) contract default by trade subcontractors; (c) unforeseen field conditions but only as defined in Subsection 4.3 of the City's General Conditions for Construction Projects; (d) work completed to meet the intent of the design, but which was not indicated on the plans; (e) costs overruns not covered by allowances; (f) costs of corrective work not provided for elsewhere and (g) implementation of any Recovery Plan. Cost for which CM@RISK desires to be paid from the Construction Contingency shall be documented by CM@RISK on a time and materials basis and are subject to verification by the CITY. If agreed to by CITY, a "Use of Contingency" form shall be executed by both parties authorizing the actual cost of the work to be paid and included in the Work Item Direct Costs. The Construction Contingency is not allocated to any particular item of the Project but may be used for any portion of the work as determined above. Any amount not used in the Construction Contingency shall belong to the CITY and shall reduce the GMP.

**8.8. Owner's Contingency.** This GMP also includes a dollar amount listed as an Owner's Contingency which may be used only by the CITY (owner department) for upgrades and changes in scope or other changes not already included within the intent of the Project Program. CITY shall provide CM@RISK with a Work Change Directive authorizing CM@RISK to perform the additional work and to transfer funds from the Owner's Contingency to the Work Item Direct Costs category to be paid with such direct costs. These additional costs shall be in amount mutually agreed upon by CM@RISK and CITY or shall be documented by CM@RISK on a time and materials basis and are subject to verification by the CITY. Any amount not used in the Owner's Contingency shall belong to the CITY and shall reduce the GMP.

**8.9. Reduction of the Work.** If CITY elects to have a party other than CM@RISK, or one of CM@RISK's Subcontractors, perform the Work related to an Allowance Item or other portion of the Work, or otherwise eliminates or reduces the scope of an Allowance Item or other portion of the Work, the Guaranteed Maximum Price shall be reduced by the Allowance Amount for any such Allowance Item or the budgeted amount in the Guaranteed Maximum Price for such item, and such amount shall be excluded from the Work Item Direct Costs upon which the CM@RISK's Fee is calculated.

**8.10. Taxes.** CM@RISK shall pay all existing and future applicable Federal, State and local sales, consumer, use and similar taxes, whether direct or indirect, relating to, or incurred in connection with the performance of the Work. In the event CM@RISK is obligated to pay any new or increased taxes or duties arising after the date hereof, the amount of such new or increased taxes shall increase the Guaranteed Maximum Price pursuant to the Change Order provisions of this Agreement as set forth in the General Conditions. In the event CM@RISK receives the benefit of a tax exemption or tax reduction taking effect after the date hereof, the amount of such exemption or reduction shall decrease the Guaranteed Maximum Price pursuant to the Change Order provisions of this Agreement.

## **9. ARTICLE NINE - PAYMENT PROCEDURES**

**9.1. Schedule of Values.** Before the first application for Payment, CM@RISK shall submit to CITY, and the parties shall agree upon, a Schedule of Values, setting forth the various portions of the Work, and the costs listed in the Guaranteed Maximum Price allocated to each such portion of the Work. The Schedule shall be used as a basis for reviewing the contractor's applications for payment and as a basis for progress payments. The Schedule of values shall be updated as actual costs become known to accurately reflect the cost of the work. City reserves

the right to audit the books of CM@RISK, at any time, to determine actual costs and to modify the schedule of values to better reflect actual costs of the work. At Project completion and prior to final payment the parties will reconcile the schedule of values with the actual costs in accordance with provisions in Article Eight herein to determine the final payment.

**9.2. Applications for Payment.** CM@RISK shall submit completed Applications for Payment in accordance with the Contract Documents. No payment application will be considered complete unless it is accompanied by an updated Construction Progress Schedule and a certification that the on-site, red lined, as-built drawings are up to date. Completed Applications for Payment will be processed by CITY REP as provided in the Contract Documents.

**9.3. Waiver of Claims at Final Payment.** Acceptance of Final Payment by CM@RISK shall constitute a waiver of affirmative claims by CM@RISK except those previously made in writing and identified as unsettled at the time of Final Payment.

**9.4. Retention.** Prior to Substantial Completion, progress payments will be made in the amount equal to the percentages indicated below, but in each case less the aggregate of payments previously made and less such amounts as CITY'S REPRESENTATIVE may determine, in accordance with the General Conditions or other provisions of the Contract Documents.

**9.4.1.** To insure the proper performance of the contract CITY shall retain ten per cent (10%) of the amount of each approved progress payment until the Work is fifty percent (50%) complete.

**9.4.2.** When the Work is fifty percent (50%) complete as measured by the schedule of values and approved by CITY REP, one-half of the amount retained under the ten percent (10%) retention provision, shall be paid to CM@RISK, provided CM@RISK is on schedule for project completion and is making satisfactory progress on the Work and there is no specific cause or claim requiring a greater amount to be retained. After fifty percent (50%) completion, CITY shall retain five percent (5%) of each approved progress payment providing CM@RISK is on schedule for project completion, is making satisfactory progress on the Work, except that if at any time CITY determines satisfactory progress is not being made, ten percent (10%) retention shall be reinstated for all progress payments made under the contract subsequent to such determination

**9.4.3.** In lieu of retention, CITY will, at the option of CM@RISK, accept security as provided in ARS § 34-221.

**9.5.** CITY may withhold and deduct from each progress payment and final payment an amount equal to CITY'S estimate of the liquidated damages then due, or that would become due based on CITY'S estimate of late completion of the Work, provided CM@RISK fails to submit and implement a written schedule recovery plan describing the cause of schedule slippage or delayed progress and the actions proposed and taken to recover schedule slippage.

**9.6. Final Payment:** Upon final completion and acceptance of the Work and upon compliance with all other terms and conditions of the Contract Documents, CITY shall pay the remainder of the Contract Price, including retainage withheld, less such deductions as may be withheld to cover claims in accordance with state law and the Contract Documents, and to cover liquidated and special damages and other charges owing to CITY.

## **10. ARTICLE TEN – CHANGES TO CONTRACT GMP**

**10.1. Changes to Scope.** CITY reserves the right to change the scope of the Project by adding or deducting work to be performed by CM@RISK under this Contract. Increases to the scope of work to be paid for out of the Owner's Contingency shall be documented by a Work Change Directive. If deductions from the work and additions after the Owner's Contingency has been exhausted shall be documented by a Change Order executed by both parties.

## **11. ARTICLE ELEVEN - CM@RISK'S REPRESENTATIONS**

As part of the inducement for CITY to enter into this Contract, CM@RISK makes the following representations:

**11.1.** CM@RISK was a member of the Design Team for this Project and participated in and provided recommendations concerning the Contract Documents and Project Design.

**11.2.** CM@RISK has examined and carefully studied the Contract Documents (including any Addenda) and other related data identified in the Bidding Documents, including "technical data" and all federal, state and local laws, ordinances, standards, rules and regulations that in any manner may affect cost, progress, performance or furnishing of the Work.

**11.3.** CM@RISK has obtained and carefully studied (or assumes responsibility for having done so) the reports of investigations, explorations, tests, studies and data concerning conditions (surface, subsurface and Underground Facilities) and the drawings of physical conditions in or relating to existing surface or subsurface structures, at or contiguous to the site or otherwise which may affect cost, progress, performance or furnishing all the Work or which relate to any aspect of the means, methods, techniques, sequences and procedures of construction to be employed by CM@RISK and safety precautions and programs incident thereto. The reports and drawings available to CITY are listed in the Supplementary Conditions. CM@RISK acknowledges that such reports and drawings are not Contract Documents and may not be complete for CM@RISK's purposes. CM@RISK acknowledges that CITY and CITY'S REP do not assume responsibility for the accuracy or completeness of information and data shown or indicated therein with respect to Underground Facilities at or contiguous to the site. CM@RISK acknowledges full responsibility for locating and resolving any conflicts with any Underground Facilities.

**11.4.** CM@RISK has visited the site and become familiar with and is satisfied as to the general, local and site conditions that may affect cost, progress, performance or furnishing of the Work.

**11.5.** CM@RISK has made or caused to be made examinations, investigations, tests, studies and related data as he deems necessary, and CM@RISK does not consider that any additional examinations, investigations, explorations, tests, studies or data are necessary for the performance and furnishing of the Work at the Contract Price, within the Contract Times and in accordance with the other terms and conditions of the Contract Documents.

**11.6.** CM@RISK has correlated the information known to CM@RISK, information and observations obtained from visits to the site, reports and drawings identified in the Contract Documents and all additional examinations, investigations, explorations, tests, studies, reports, and data, with the terms and conditions of the Contract Documents.

11.7. CM@RISK has given CITY REP written notice of all conflicts, errors, or discrepancies that CM@RISK has discovered in the Contract Documents, and the written resolution thereof by CITY is acceptable to CM@RISK, and the Contract Documents are sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work. CM@RISK assumes full responsibility and liability for any conflicts, errors or discrepancies in the Contract Documents, including, but not limited to, the specifications, design and engineering for the project, for which written notice has not been provided and which a reasonable Contractor, participating in the Design Process as the Construction Manager at Risk would have discovered.

## **12. ARTICLE TWELVE – CONTRACT DOCUMENTS, DRAWINGS AND ADDENDA**

The Contract Documents which comprise the entire agreement between CITY and CM@RISK concerning the Work consist of those listed below. There are no Contract Documents other than the following:

12.1. This Contract

12.2. The project Design, Engineering and Specifications entitled: Gilbert Road Improvements (Germann Road to Queen Creek Road) Project No. ST0625-401

12.3. The Drawings, comprised of a set entitled: Gilbert Road Improvements (Germann Road to Queen Creek Road) Project No. ST0625-401

12.4. Performance Bond and Payment Bond.

12.5. The approved Construction Schedule (CPM).

12.6. General Conditions (pages 1 to 55, inclusive).

12.7. Notice to Proceed.

12.8. Approved Construction GMP and attached Assumptions

12.9. CM@RISK'S Schedule of Manufacturers and Suppliers of Major Equipment and Material Items.

12.10. The following which may be delivered or issued after the Effective Date of this Contract and are not attached hereto:

- A. Written Amendments;
- B. Work Change Directives;
- C. Change Order(s).

## **13. ARTICLE THIRTEEN – INSURANCE**

### **13.1. General Requirements:**

A. CM@RISK, at its own expense, shall purchase and maintain insurance of the types and amounts required in this section, with companies possessing a current A.M. Best, Inc. rating of B++6, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to CITY.

- B. With the exception of professional liability policies, policies written on a "Claims made" basis are not acceptable without written permission from the City's Risk Manager.
- C. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of CITY, constitute a material breach of this Agreement and may result in termination of this contract.
- D. If any of the insurance policies are not renewed prior to expiration, payments to the CM@RISK may be withheld until these requirements have been met, or at the option of the City, the City may pay the Renewal Premium and withhold such payments from any monies due the CM@RISK.
- E. All insurance policies, except Workers' Compensation and Professional Liability required by this Agreement, and self-insured retention or deductible portions, shall name, to the fullest extent permitted by law for claims arising out of the performance of this contract, the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insureds.
- F. CM@RISK's insurance shall be primary insurance over any insurance available to the CITY and as to any claims resulting from this contract, it being the intention of the parties that the insurance policies so effected shall protect both parties and be primary coverage for any and all losses covered by the described insurance.
- G. The insurance policies, except Workers' Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against CITY, its agents, representatives, officers, directors, officials and employees for any claims arising out of CM@RISK's acts, errors, mistakes, omissions, work or service.
- H. The insurance policies may provide coverage which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall be assumed by and be for the account of, and at the sole risk of CM@RISK. CM@RISK shall be solely responsible for the deductible and/or self-insured retention. The amounts of any self-insured retentions shall be noted on the Certificate of Insurance. CITY, at its option, may require CM@RISK to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit. Self-insured retentions (SIR) in excess of \$25,000 will not be accepted except with permission of the Management Services Director/designee.
- I. All policies and certificates shall contain an endorsement providing that the coverage afforded under such policies shall not be reduced, canceled or allowed to expire until at least thirty (30) days prior written notice has been given to CITY.
- J. Information concerning reduction of coverage on account of revised limits or claims paid under the General Aggregate, or both, shall be furnished by the CM@RISK with reasonable promptness in accordance with the CM@RISK's information and belief.
- K. In the event that claims in excess of the insured amounts provided herein, are filed by reason of any operations under this contract, the amount of excess of such claims, or any portion thereof, may be withheld from payment due or to become due the CM@RISK until

such time as the CM@RISK shall furnish such additional security covering such claims as may be determined by the CITY.

### **13.2. Proof of Insurance - Certificates of Insurance**

- A. Prior to commencing work or services under this Agreement, CM@RISK shall furnish to CITY Certificates of Insurance, issued by CM@RISK's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Agreement are in full force and effect and obtain from the City's Risk Management Division approval of such Certificates.
- B. If a policy does expire during the life of this Agreement, a renewal certificate must be sent to the City of Chandler five (5) days prior to the expiration date.
- C. All Certificates of Insurance shall identify the policies in effect on behalf of CM@RISK, their policy period(s), and limits of liability. Each Certificate shall include the job site and project number and title. Coverage shown on the Certificate of Insurance must coincide with the requirements in the text of the contract documents. Information required to be on the certificate of Insurance may be typed on the reverse of the Certificate and countersigned by an authorized representative of the insurance company.
- D. CITY reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. CITY shall not be obligated, however, to review same or to advise CM@RISK of any deficiencies in such policies and endorsements, and such receipt shall not relieve CM@RISK from, or be deemed a waiver of CITY's right to insist on, strict fulfillment of CM@RISK's obligations under this Agreement.

### **13.3. Required Coverage**

Such insurance shall protect CM@RISK from claims set forth below which may arise out of or result from the operations of CM@RISK under this Contract and for which CM@RISK may be legally liable, whether such operations be by the CM@RISK or by a Sub-consultant or subCM@RISK or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. Coverage under the policy will be at least as broad as Insurance Services Office, Inc., policy form CG00011093 or equivalent thereof, including but not limited to severability of interest and waiver of subrogation clauses.

- A. Claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to the Work to be performed;
- B. Claims for damages because of bodily injury, occupational sickness or disease, or death of the CM@RISK's employees;
- C. Claims for damages because of bodily injury, sickness or disease, or death of any person other than the CM@RISK's employees;
- D. Claims for damages insured by usual personal injury liability coverage;
- E. Claims for damages, other than to Work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;

- F. Claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle; Coverage will be at least as broad as Insurance Service Office, Inc., coverage Code "I" "any auto" policy form CA00011293 or equivalent thereof.
- G. Claims for bodily injury or property damage arising out of completed operations;
- H. Claims involving contractual liability insurance applicable to the CM@RISK's obligations under the Indemnification Agreement;
- I. Claims for injury or damages in connection with one's professional services;
- J. Claims involving construction projects while they are in progress. Such insurance shall include coverage for loading and off loading hazards. If any hazardous material, as defined by any local, state or federal authorities are to be transported, MCS 90 endorsement shall be included;

**13.3.1. Commercial General Liability - Minimum Coverage Limits:**

The Commercial General Liability insurance required herein shall be written for not less than \$1,000,000 limits of liability or ten percent (10%) of the Contract Price, whichever coverage is greater. Any combination between general liability and excess general liability alone amounting to a minimum of \$1,000,000 per occurrence (or 10% per occurrence) and an aggregate of \$2,000,000 (or 20% whichever is greater) in coverage will be acceptable. The Commercial General Liability additional insured endorsement shall be as broad as the Insurance Services, Inc's (ISO) Additional Insured, Form B, CG 20101001, and shall include coverage for CM@RISK's operations and products, and completed operations.

**13.3.2. General Liability - Minimum Coverage Limits**

- A. The General Liability insurance required herein, including, Comprehensive Form, Premises-Operations, Explosion and Collapse, Underground Hazard, Products/Completed Operations, Contractual Insurance, Broad Form Property Damage, Independent CM@RISKs, and Personal Injury shall be written for Bodily Injury and Property Damage Combined shall be written for not less than \$1,000,000 or 10% of the contract cost and with a \$2,000,000 aggregate.
- B. Automobile Liability: CM@RISK shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any owned, hired, and non-owned vehicles assigned to or used in performance of the CM@RISK's work. Coverage shall be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00011293, or any replacements thereof). Such insurance shall include coverage for loading and off loading hazards if hazardous substances, materials or wastes are to be transported and a MCS 90 endorsement shall be included with coverage limits of \$5,000,000 per accident for bodily injury and property damage.

**13.3.3. Worker's Compensation and Employer's Liability:**

CM@RISK shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over CM@RISK's employees engaged in the performance of the work or services; and, Employer's Liability insurance of not less than

\$1,000,000 for each accident, \$1,000,000 disease coverage for each employee, and \$1,000,000 disease policy limit. In case any work is subcontracted, CM@RISK will require the Subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as required of CM@RISK.

**13.3.4. Builders' Risk (Property) Insurance:**

CM@RISK shall purchase and maintain in force on a replacement cost basis, Builders' Risk insurance in the amount of the initial Contract Amount as well as subsequent modifications thereto for the entire work at the site. Such Builders' Risk insurance shall be maintained until final payment has been made or until no person or entity other than the City of Chandler has an insurable interest in the property required to be covered, whichever is earlier. The insurance shall, at a minimum, cover the perils insured under the Insurance Services Office, Inc. (ISO) special causes of loss form CP1030, and shall be endorsed as needed to provide full coverage for loss or damage from collapse, including collapse resulting from design error. CM@RISK shall provide and maintain Builder's Risk insurance covering construction activities including but not limited to fire, extended coverage, vandalism and malicious mischief, theft, collapse, flood, with the coverage limit of not less than the contract value, less site preparation.

**13.3.5. Construction Insurance:**

CM@RISK shall provide and maintain construction insurance coverage listed below until the project is accepted by the City of Chandler which shall be written for 100% of the completed value covering the City of Chandler as the insured.

- A. For construction of new buildings: "Builders Risk Form" - all risk forms with an extension of buildings coverage to include personal property of others in the care, custody and control of the insured.
- B. For additions or repairs of existing buildings or structures: "Builders Risk Completed Value Form", covering CM@RISKs' interest in improvements, repairs, additions, alteration to completed buildings, and subject the coverages described in item A above.
- C. For construction of bridges, viaducts or similar structures: "Bridge Builders Risk Form", All Risk Contract.

**14. ARTICLE FOURTEEN - INDEMNIFICATION**

To the fullest extent permitted by law, CM@RISK 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 CM@RISK, 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 CM@RISK 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 CM@RISK, its agents, employees or representatives to fulfill CM@RISK'S obligations under this Contract. This indemnity shall not be construed to include losses, claims, damages, suits, or actions of any kind and nature, to the extent arising from or alleged to

have resulted from the errors, mistakes or omissions of CoC, (other than CM@RISK, its employees, agents, or any tier of subcontractors). The provisions of this paragraph shall survive termination of this Contract.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

## **15. ARTICLE FIFTEEN - MISCELLANEOUS**

**15.1.** Terms used in this Contract which are defined in the General Conditions, shall have the meanings indicated in the General Conditions.

**15.2.** The failure of any party to enforce against another party any provision of this Contract shall not constitute a waiver of that party's right to enforce such a provision at a later time, and shall not serve to vary the terms of this Contract.

**15.3.** CITY and CM@RISK each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in these Contract Documents.

## **16. ARTICLE SIXTEEN – CONFLICT OF INTEREST**

CONTRACTOR stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this Contract.

Pursuant to A.R.S. Section 38-511, the City may cancel this contract within three (3) years after its execution without penalty or further obligation by the City if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City of Chandler is, at any time while the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

## **17. ARTICLE SEVENTEEN - TERMINATION WITHOUT CAUSE**

CITY may at any time and for any or no reason, at its convenience, terminate this Agreement or any part of the services to be rendered pursuant thereto by ten (10) day written notice to CONTRACTOR specifying the termination date. Immediately after receiving such notice, CONTRACTOR shall discontinue advancing the work under this Agreement and shall deliver to CITY all drawings, notes, calculations, sketches and other materials entirely or partially completed, together with all unused materials supplied by CITY.

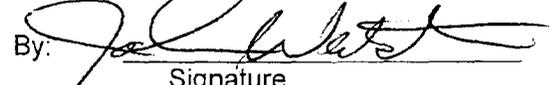
IN WITNESS WHEREOF, the parties hereto have executed this Contract on the day and year first written above.

This Contract will be effective on \_\_\_\_\_ of \_\_\_\_\_, 2008.

CITY OF CHANDLER

CONSTRUCTION MANAGER AT RISK

\_\_\_\_\_  
MAYOR Date

By:   
Signature  
JOHN WALSTROM  
Printed or Typed

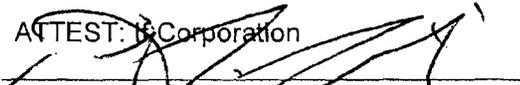
ADDRESS FOR NOTICE

ADDRESS FOR NOTICE

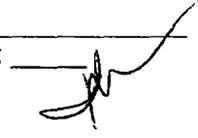
City of Chandler  
P.O. Box 4008, Mail Stop 407  
Chandler, AZ 85244-4008  
Phone: 480-782-3307  
Fax: 480-782-3355

Achen-Gardner Engineering, LLC  
550 S. 79th Street  
Chandler, AZ 85226  
Phone: (480) 940-1300  
Fax: (480) 940-4576

ATTEST:  
\_\_\_\_\_  
City Clerk

ATTEST:  Corporation  
Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney by:  SEAL

## EXHIBIT A GMP ASSUMPTIONS AND CLARIFICATIONS

NOTE: This GMP Proposal is based on the following assumptions:

### General Items:

- 1) Re: Contract Article 7.1.2, Liquidated Damages – Damages will be assessed in accordance with applicable MAG 2008 Uniform Standard Specifications for Public Works Construction, section 108.9.
- 2) Re: Contract Article 8.2.3, Insurance Reimbursement – Insurance will be compensated for at a fixed percentage of 1.5% of Running Total #2 (see SOV Item No. 1003).
- 3) Re: Contract Article 8.5, Inferable Work - It is understood that the documents listed (i.e. plans, specifications, etc.) have been used to prepare this GMP. Item “descriptions”, “unit measures”, and “unit prices” included in Exhibits B and related Exhibits shall serve to assist in the clarification of and definition of the scope and cost of work included under each Item of Work (i.e. Item No.). The cost associated with any changes, revisions, additions and/or deletions directed by the City of Chandler or its agents will be compensated for and funded through the Construction and/or Owner’s Contingencies (re: Item Nos. 1007 and 1008).
- 4) Re: GMP Exhibit E, GMP Schedule - Proposed Project Schedule, excludes logic associated with acquiring temporary construction easements or permanent right-of-way of any kind. This GMP Proposal assumes ALL right-of-way and easements required to construct the Project have been or will be acquired by City staff in time to maintain the Project Schedule as presented herein.
- 5) Re: GMP Exhibit E, GMP Schedule - For the purpose of this contract, adverse weather conditions such as average days of rain per month, is assumed to be 1 each per month. A weather-related delay may be claimed on days where rainfall did not actually occur, but follows a day of heavy rain that has impacted the schedule. That is, the first seven (7) days of weather-related delays will not result in delays to the project schedule. If the project experiences additional weather-related delays beyond this amount, the Contractor shall be entitled to a commensurate extension of time associated with the delays and/or a GMP Price adjustment for additional costs associated with but not limited to General Conditions, accelerations, etc.
- 6) Re: Contract Article 11, CM@Risk’s Representations - This GMP excludes all costs associated with removing, replacing and/or relocating any existing buried and/or overhead utilities not detailed in documents listed in Exhibit C and specifically defined on Exhibit B. Any such costs will be paid out of contingency funds. Achen-Gardner does accept responsibility for protecting any existing utilities shown on the Project Plans (re: GMP Exhibit C) that have been properly located/ identified by locators (i.e. Blue-stake).
- 7) Re: Contract Article 13.3.1, Professional Liability Coverage – CM@Risk excludes Professional Liability Coverage as it relates to this Construction Contract.
- 8) Re: Exhibit B Item No. 1002, General Conditions – The quantity of seven (7) months will be used to calculate partial payouts. This item’s total price is subject to adjustment based on approved changes and/or extensions of time.
- 9) Re: Exhibit B Item No. 1005, Sales Tax (5.070%) has been calculated on the total costs associated with Running Total #4. Waterline Material Tax Credits (re: Item No. 1006) will be applied as they are administered.
- 10) Re: Exhibit B Item No. 1007, Construction Contingency – Estimate of Construction Contingency has been set at \$722,645.19. See Exhibit B2, Estimate of Construction Contingency, for related

assumptions. These assumptions in no way qualify what the Construction Contingency can be used for. The parties intent to utilize Construction Contingency funds for possible material shortages and associated cost increases resulting from material price spikes, increase fuel rates above the May 2008 Fuel Index Price, delays, and/or decreased efficiencies. Reimbursement under this Item will be based on documented time and material unless fixed unit prices are mutually agreed to.

- 10) GMP excludes all costs associated with COC permit & plan review fees, QA (i.e. inspection) costs, impact fees, utility company fees and/or any other permit or fee not detailed in Exhibit B and related Exhibits.
- 11) Re: Exhibit B RWCD Irrigation related Pay Items 173 thru 184 – This GMP only reflect the cost associated with RWCD Irrigation work included in Phase 1 RWCD Plans. This GMP excludes any additional RWCD work that will be included in their Phase 2 Plans (not yet available). This associated Phase 2 cost will be paid from the Owner Contingency funds (re: Exhibit B, Item 1008).
- 12) Specialty Subcontractors' Performance and Payment Bonds may be required by Achen-Gardner on this Project. Final approved Schedule of Values and Unit Prices will include costs associated with this requirement. If specialty subcontractors are required, selection of such is subject to approval by City of Chandler.-
- 13) Re: Hazardous Materials – GMP proposal excludes any and all costs associated with handling and/or disposing of hazardous wastes.
- 14) Re: Hard Dig – GMP proposal excludes any rock excavation requiring blasting and/or hydraulic breakers of any kind.
- 15) Re: Subcontractor and Supplier pricing - GMP based on Awarded Subcontractor and Supplier resource values and associated proposal/quote clarifications/inclusions/exclusions/qualifications.

Bid Items Clarifications, Inclusions and Exclusions:

<u>PAY ITEM #</u>	<u>ITEM DESCRIPTION</u>	<u>CLARIFICATION</u>
1	MOBILIZATION	<p>Includes the following based on one time basis:</p> <ul style="list-style-type: none"> <li>• Preparation and grading (for control of rain water) of staging area; the plating of the yard with ABC and sweeping of the roadway.</li> <li>• Equipment Mobilization.</li> <li>• Includes mobilization charges for the signage subcontractor.</li> </ul>
2	SWPP (ALLOWANCE)	<ul style="list-style-type: none"> <li>• Allowance to provide the SWPP plan and install SWPP material.</li> </ul>
3	DUST CONTROL PERMIT	<ul style="list-style-type: none"> <li>• Cost only for applying for and obtaining the permit.</li> </ul>
4	CONSTRUCTION SURVEY & LAYOUT (including As-Builts)	<ul style="list-style-type: none"> <li>• Includes restaking fees and supervision.</li> <li>• Includes survey and/or layout for signs and striping.</li> <li>• Price is based on Survey Innovation Group's Surveying and Layout Proposal dated 1-10-08 and revised on 1-24-08.</li> </ul>
5	QUALITY CONTROL & MATERIAL TESTING (ALLOWANCE)	<ul style="list-style-type: none"> <li>• Estimate of allowance is based on Ninyo &amp; Moore's Quality Control and Material Testing Proposal dated January 18, 2008. Work to be completed at hourly rates included in this proposal.</li> </ul>
6	PROJECT PHOTO REQUIREMENTS (ALLOWANCE)	<p>Refer to City of Chandler's General Conditions Article 10, Construction Photographs:</p> <ul style="list-style-type: none"> <li>• Includes four (4) Aerial Mapping Topography; one pre-construction, one (1) each every 3<sup>rd</sup> pay period and a final one w/as-builts.</li> <li>• Includes photo of project site (as per Articles 10.2 and 10.4) in digital format.</li> <li>• Includes pre-construction video recording of the entire site (re: Article 10.1).</li> </ul>
7	VARIABLE MESSAGE BOARDS (ALLOWANCE)	<ul style="list-style-type: none"> <li>• Includes one (1) at each end of Gilbert Rd, Queen Creek Rd and Germann Rd for 5 months assumed duration (Total 6ea).</li> <li>• Based on rental of message boards, which will be maintained by rental company.</li> <li>• Excludes any cost for jersey barriers.</li> </ul>
8	TRAFFIC CONTROL	<ul style="list-style-type: none"> <li>• Traffic Control Item excludes installation and removal of any temporary pavement as well as temporary signals.</li> <li>• This item has been developed using the assumption that two (2) lanes of traffic (one in each direction) will need to be maintained along with existing turn lanes unless approved otherwise. Full and partial closures during non-peak and weekends will be allowed to construct the work located in the Gilbert intersection area of Queen Creek Road.</li> <li>• Excludes any use of jersey barriers.</li> <li>• Excludes construction of detour roads.</li> <li>• Price is based on being able to work both East &amp; West sides of Gilbert Road simultaneous.</li> </ul>

9	TEMPORARY ASPHALT PATCH FOR UTILITIES	<ul style="list-style-type: none"> <li>Excludes modifications and/or adjustments of utility facilities (eg. Temporary pavement over manholes, vaults, pedestals, etc).</li> <li>Includes asphalt replacement in the Gilbert/Queen Creek intersection for traffic signal installation. Replacement in intersection will not be done at one time and is the total SY after the different phases of work is completed.</li> <li>Excludes any temporary asphalt for detour roads.</li> </ul>
10	PUBLIC OUTREACH (ALLOWANCE)	<p>Scope only includes the following Services:</p> <ul style="list-style-type: none"> <li>Maintain &amp; update web page that contains all pertinent project information.</li> <li>Establish and maintain a hotline to respond to public concerns</li> <li>Prepare a bi-monthly one-page flyers/notices of all construction activity updates to be distributed to the public</li> <li>Excludes mailing cost of flyers/notices (performed by the City).</li> </ul>
11	OFF DUTY UNIFORMED POLICE OFFICER (ALLOWANCE)	<ul style="list-style-type: none"> <li>Used as needed to direct traffic during construction of the Gilbert/Queen Creek and Gilbert/Ryan intersections as well as the removals / relocation / installation of traffic signals.</li> </ul>
12	CONSTRUCTION WATER AND DUST CONTROL	<ul style="list-style-type: none"> <li>Includes dust control for a period of 1 ½ hours after 3:30 pm (regular shift) on weekdays and weekend watering; 4 hrs on Saturdays &amp; 4 hrs on Sundays.</li> <li>Includes water &amp; meter cost from a hydrant located on site. More than one location may be required within the road right-of-way.</li> </ul>
13 THRU 24	REMOVAL ITEMS	<ul style="list-style-type: none"> <li>Cost excludes the removal of any of the existing buildings, building structures and building remnants.</li> <li>Cost excludes the removal &amp; disposal of any hazardous material of any kind.</li> <li>Price is based upon all removals to be accomplished by others will be completed prior to start of our work.</li> </ul>
13 THRU 18	REMOVE CONCRETE RELATED ITEMS	<ul style="list-style-type: none"> <li>Cost includes removal and haul off of related concrete items as noted on the plans.</li> </ul>
19	REMOVE/RELOCATE FENCE	<ul style="list-style-type: none"> <li>Includes the removal and haul off of barbed wire fence. Pipe fence (existing) on north side of Queen Creek, east of Gilbert Road will be removed and reset at R/W line. MAG 130A barricade not shown on plan (location on Queen Creek Road at match point) will be removed and hauled off.</li> <li>Cost does not include the purchase of new pipe fence. Pipe fence if relocated will utilize existing fence that was removed.</li> </ul>
20	REMOVE EXISTING IRRIGATION STRUCTURE	<ul style="list-style-type: none"> <li>Bypass pumping for removal of irrigation structures is excluded. It is assumed that removal of structure(s) will happen under a dry-up condition.</li> <li>Includes removal, haul off and backfill of existing structures with native material.</li> </ul>
21	REMOVE CANAL, BACKFILL, COMPACT MAG 601	<ul style="list-style-type: none"> <li>Bypass pumping for removal of irrigation canal is excluded. It is assumed that removal of canal will happen under a dry-up condition.</li> <li>Includes removal, haul off of concrete and backfill of trench with native material.</li> </ul>

PAY ITEM #	ITEM DESCRIPTION	CLARIFICATION
22	REMOVE AND DISPOSE TREES	<ul style="list-style-type: none"> <li>Tree disposal only includes trees shown on the plans for removal. If any additional trees are requested for removal Achen-Gardner reserves the right to provide revised pricing.</li> </ul>
24	REMOVE IRRIGATION PIPE, BACKFILL & COMPACT	<ul style="list-style-type: none"> <li>Includes removal, haul off of irrigation pipe and backfill of trench with native material.</li> </ul>
25, 26	RETENTION BASINS EXCAVATION	<ul style="list-style-type: none"> <li>Price is based upon Achen-Gardner being allowed to store excavated dirt at the retention areas. The excess dirt not utilized in construction shall be disposed prior to contract completion time.</li> <li>Unless agreed to otherwise, this is a lump sum; CY Quantity and Unit Price has been established to assist in partial pay.</li> </ul>
27, 28	ROADWAY EXCAVATION	<ul style="list-style-type: none"> <li>Price is based upon Achen-Gardner being allowed to store excavated dirt at the retention areas. The excess dirt not utilized in construction shall be disposed prior to contract completion time.</li> <li>Unless agreed to otherwise, this is a lump sum; CY Quantity and Unit Price has been established to assist in partial pay.</li> <li>Price is based upon being able to use all/any excavated material from the project in the embankment (fill) areas as needed.</li> <li>We explicitly exclude any over-excavation of roadway sections that are called out in the Geotechnical Report to over-excavate.</li> </ul>
29, 30	SUBGRADE PREPARATION	<ul style="list-style-type: none"> <li>Only accounts for the areas directly below new asphalt and concrete paving.</li> <li>Includes Parkway Grading.</li> <li>We explicitly exclude over-excavation of any material as called out in the Geotechnical Report to over-excavate.</li> <li>Application of Surfplan is excluded in subgrade, underneath new concrete and Parkway areas.</li> </ul>
31 THRU 35	ASPHALT PAVING ITEMS	<ul style="list-style-type: none"> <li>Price based upon asphalt being placed in one single lift for each type of material.</li> <li>Material price is based on current anticipated install date (as per project schedule). No prices are extended beyond 12-31-08.</li> <li>The quoted price for the Base Course is based on an average price for the asphalt @ \$51.00 per ton.</li> <li>The quoted price for the Surface Course is based on an average price for the asphalt @ \$51.00 per ton.</li> <li>If the price per ton should increase/decrease, the difference will be accounted for in the material price escalation contingency (i.e. Commodity Escalations, Item 1007.4 in Exhibit B2).</li> <li>Asphalt does not include any Rubber Mix Asphalt.</li> <li>The price is based upon the Asphalt Structural Sections shown on the drawings.</li> <li>Explicitly excluded is any asphalt structural section recommended by the Geotechnical Report.</li> </ul>

36, 37	SS-1H TACK COAT & SEAL COAT	<ul style="list-style-type: none"> <li>Material price is based on current anticipated install date (as per project schedule). Prices are locked in for 30 days from the date of the proposal. No material prices are extended beyond 12-31-08. Tack Coat is a 50-50% diluted with water and applied between paving lifts. Actual application rate will be determined in the field by the city inspector and paid for by the tons of material used. Seal Coat is SS-1H material and actual application rate will be determined in the field by the city inspector and paid for by the tons of material used.</li> </ul>
38, 39, 41, 42	CONCRETE ITEMS (C&G AND SIDEWALK)	<ul style="list-style-type: none"> <li>The quoted price is based on an average price for the Class B Concrete @ \$71.00 per cubic yard. If the price per CY should increase or decrease, the difference will be accounted for in the material price escalation contingency (i.e. Commodity Escalations, Item 1007.4 in Exhibit B2). No material prices are extended beyond 12-31-08. This applies to all Class B concrete.</li> </ul>
43, 46, 50	CONCRETE ITEMS (VALLEY GUTTERS, APRONS, DRIVEWAYS & BUS BAYS)	<ul style="list-style-type: none"> <li>The quoted price is based on an average price for the Class A Concrete @ \$73.00 per cubic yard. If the price per CY should increase or decrease, the difference will be accounted for in the material price escalation contingency (i.e. Commodity Escalations, Item 1007.4 in Exhibit B2). No material prices are extended beyond 12-31-08. This applies to all Class A concrete.</li> <li>ABC is excluded from Bus Bay Accessory Pads, Valley gutter and apron sub-base. They'll be placed on compacted native material.</li> <li>No Bus Bays are noted on the drawings thus Bus Bays are excluded. Construction note refers to Bus Bay but only Accessory Pads are shown.</li> </ul>
44, 45	CONCRETE SCUPPER (L=8') & CONCRETE SPILLWAY (W=8') DTL C-500	<ul style="list-style-type: none"> <li>Sizes vary and the price is an average of all sizes per each.</li> <li>Price is based on using class B concrete.</li> </ul>
56	INSTALL BRICK PAVERS COC DTL C-225 / C-237	<ul style="list-style-type: none"> <li>Assumes standard red or grey color brick pavers as noted in detail C-237. Changes to the above referenced colors and Achen-Gardner reserves the right to reprice item.</li> <li>Refer to European Pavers quote.</li> <li>Includes 1-inch of sand on 4-inches of ABC base.</li> </ul>
88 THRU 90	PRIVATE IRRIGATION	<ul style="list-style-type: none"> <li>New elevations are not provided. Price is based on a maximum cover of four (4) ft.</li> <li>Relocation of existing utilities for installation of private irrigation is excluded.</li> </ul>
91 THRU 103	LANDSCAPING & IRRIGATION	<ul style="list-style-type: none"> <li>Cost is based on Grounds Control's Proposal dated 04-25-08.</li> <li>All Irrigation prices are based on dogmatic layout and plan; Booster Pumps are not shown and therefore not included in price.</li> </ul>
104 THRU 158	STREET LIGHT & TRAFFIC SIGNAL SYSTEMS	<ul style="list-style-type: none"> <li>Cost is based on Han Mar Energy's Proposal dated 04-24-08.</li> <li>Includes SRP joint trench for all SRP items as well as Qwest only trench.</li> <li>Includes Installment of Qwest furnished Conduit/Pedestals.</li> <li>Temporary Traffic Signals are excluded.</li> </ul>

159 THRU 170	STRIPING ITEMS	<ul style="list-style-type: none"> <li>Cost is based on Road Markings' Proposal dated 04-17-08.</li> </ul>
171, 172	SIGNAGE ITEMS	<ul style="list-style-type: none"> <li>Cost based on Arizona Road Specialties' Proposal dated 04-16-08.</li> </ul>
173 THRU 184	RWCD IRRIGATION ITEMS	<ul style="list-style-type: none"> <li>Cost is based on Phase I RWCD plan set</li> <li>This GMP excludes any additional cost associated with Phase 2 RWCD Plans. Such cost will be paid from Owner Contingency.</li> </ul>
VARIOUS	PIPE INSTALLATION GENERAL NOTES	<ul style="list-style-type: none"> <li>No Slurry Backfill is included for any of the pipe in this GMP.</li> <li>All pipe is assumed to have 4" of ABC bedding underneath the pipe and bedding completely around the pipe to a level of 12" over the top of the pipe.</li> <li>All backfill above the bedding zone is Native Material except for pipe which is perpendicular to the center line of the street. This pipe is backfilled with 100% ABC.</li> </ul>
VARIOUS	RECLAIMED WATER & POTABLE WATER GENERAL NOTES	<ul style="list-style-type: none"> <li>No costs for the purchase of Water Meters are included in this GMP.</li> <li>All New Meter Services, both Potable and Reclaimed, are based on a complete new service from the new or existing Main to the Meter Box location. All taps are assumed as 1".</li> <li>DIP interior is with asphaltic coating.</li> </ul>
VARIOUS	POTABLE WATER GENERAL NOTES	<ul style="list-style-type: none"> <li>All New Valves and Fittings are included for the New Waterline. Existing valves and fittings will be properly disposed of.</li> <li>It is assumed that City of Chandler will be able to shutdown the existing Water Mains for a time sufficient for the New Mains to be installed, tested and chlorinated.</li> </ul>
1006	TAX CREDIT (ALLOWANCE)	<ul style="list-style-type: none"> <li>Sales Tax will be calculated on the total cost associated with the Total GMP. The actual Tax Credit associated with storm drain, potable water line materials, Private Irrigation and RWCD Irrigation pipe materials will be credited as they are processed. Based on approximately \$253,143.86 in qualified exempts, this credit is estimated at \$12,834.39.</li> </ul>
1007	Construction Contingency	<ul style="list-style-type: none"> <li>See following Construction Contingency Item assumptions (Re: Exhibit B2).</li> </ul>
1007.1	SRP 12 KV DRY UTILITY WORKS	<ul style="list-style-type: none"> <li>Preliminary and uncompleted 12 KV Plans are provided from SRP Electric.</li> <li>Cost is based on an assumption of 2,500 LF at \$100 per foot.</li> <li>Achen-Gardner has assumed a Lump Sum item to cover this cost. Once 100% Plans are received, this item will be broken into related pay items shown as regular line items in Exhibit B (Schedule of Values).</li> </ul>
1007.2	VARIANCE IN LANDSCAPE & IRRIGATION AND/OR LANDSCAPE UPGRADE IN LANDSCAPE	<ul style="list-style-type: none"> <li>Accounts for a possible change in Landscaping and Irrigation scope &amp; quantities and/or landscape Upgrade as per the City's comments in the email received on 4-30-08.</li> </ul>
1007.3	QUANTITY VARIATIONS	<ul style="list-style-type: none"> <li>Accounts for possible quantity variations.</li> </ul>

1007.4	COMMODITY ESCALATIONS	<ul style="list-style-type: none"> <li>• Accounts for possible commodity escalation except those affected by fuel rate increase</li> </ul>
1007.5	COMMODITY ESCALATION CAUSED BY FUEL RATE INCREASES	<ul style="list-style-type: none"> <li>• Estimate of commodity escalations that are directly related to fuel rate increases.</li> <li>• Estimate includes Fuel Escalation Costs over and above the May 2008 Fuel Index Price.</li> </ul>

**EXHIBIT B  
GMP**

Item No 5/2/08	Description	Propose To Self Perform	UM	Quantity 5/2/08	Unit Price 5/23/08	Total Price 5/23/08	TRANS-PORTATION (T' SUBT)	MUNICIPAL UTILITIES (MU' SUBT)
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X = AGE

GENERAL ITEMS

1	MOBILIZATION	X	LS	1.00	\$111,387.00	\$111,387.00		
2	SWPP (ALLOWANCE)	X	LS	1.00	\$39,936.00	\$39,936.00		
3	DUST CONTROL PERMIT	X	LS	1.00	\$1,200.00	\$1,200.00		
4	CONSTRUCTION SURVEY & LAYOUT (including As-Builts)	SIG	LS	1.00	\$83,150.00	\$83,150.00		
5	QUALITY CONTROL & MATERIAL TESTING (ALLOWANCE)	N & M	LS	1.00	\$43,645.00	\$43,645.00		
6	PROJECT PHOTO REQUIREMENTS (ALLOWANCE)	X	LS	1.00	\$25,180.00	\$25,180.00		
7	VARIABLE MESSAGE BOARDS (ALLOWANCE)		EA*DY	900.00	\$40.00	\$36,000.00		
8	TRAFFIC CONTROL	NES TS	LS	1.00	\$116,211.00	\$116,211.00		
9	TEMPORARY ASPHALT PATCH FOR UTILITIES	X	SY	160.00	\$70.90	\$11,344.00		
10	PUBLIC OUTREACH/RELATIONS (ALLOWANCE)		LS	1.00	\$15,000.00	\$15,000.00		
11	OFF DUTY UNIFORMED POLICE OFFICER (ALLOWANCE)		HR	240.00	\$45.00	\$10,800.00		
12	CONSTRUCTION WATER AND DUST CONTROL	X	LS	1.00	\$73,777.00	\$73,777.00		
(a)	<u>SUBTOTAL - GENERAL ITEMS</u>					<u>\$567,630.00</u>	<u>\$471,241.62</u>	<u>\$96,388.38</u>

REMOVAL ITEMS

13	REMOVE CONCRETE CURB & GUTTER	X	LF	4,295.00	\$4.88	\$20,959.60		
14	REMOVE CONCRETE SIDEWALK	X	SF	16,350.00	\$1.41	\$23,053.50		
15	REMOVE ASPHALT	X	SY	25,491.00	\$3.61	\$92,022.51		
16	REMOVE CONCRETE PAD	X	SF	220.00	\$8.06	\$1,773.20		
17	REMOVE CONCRETE VALLEY GUTTER & APRONS	X	SF	1,910.00	\$3.82	\$7,296.20		
18	REMOVE BOLLARDS	X	EA	19.00	\$78.40	\$1,489.60		
19	REMOVE RELOCATE FENCE	X	LF	365.00	\$17.66	\$6,445.90		
20	REMOVE EXISTING IRRIGATION STRUCTURE	X	EA	18.00	\$1,578.00	\$28,404.00		
21	REMOVE CANAL, BACKFILL, COMPACT MAG 601	X	LF	3,035.00	\$14.32	\$43,461.20		

Gilbert Road Improvements (Germann Road to Queen Creek Road)

22	REMOVE AND DISPOSE TREES	X	EA	17.00	\$402.00	\$6,834.00
23	REMOVE SCUPPER	X	EA	3.00	\$4,400.00	\$13,200.00
24	REMOVE IRRIGATION PIPE, BACKFILL & COMPACT	X	LF	1,545.00	\$37.42	\$57,813.90
( b )	<u>SUBTOTAL - REMOVAL ITEMS</u>				<u>\$302,753.61</u>	<u>\$302,753.61</u>
	<u>ROADWAY PAVING ITEMS</u>					<u>\$0.00</u>
25	EXCAVATE RETENTIONS ON GILBERT ROAD	X	CY	2,454.00	\$27.17	\$66,675.18
26	EXCAVATE RETENTIONS ON QUEEN CREEK ROAD	X	CY	870.00	\$32.55	\$28,318.50
27	ROADWAY EXCAVATION ON GILBERT ROAD	X	CY	19,335.00	\$18.94	\$366,204.90
28	ROADWAY EXCAVATION ON QUEEN CREEK ROAD	X	CY	4,982.00	\$23.83	\$118,721.06
29	SUBGRADE PREP GILBERT ROAD	X	SY	40,523.00	\$6.05	\$245,164.15
30	SUBGRADE PREP QUEEN CREEK ROAD	X	SY	10,341.00	\$5.73	\$59,253.93
31	GILBERT RD AC SEC A 1.5" SC (12.5mm) ON 2.5" BC (19mm) ON 12" ABC	X	SY	39,661.00	\$22.00	\$872,542.00
32	QUEEN CREEK RD AC SEC A 1.5" SC (12.5mm) ON 2.5" BC (19mm) ON 12" ABC	X	SY	7,526.00	\$23.81	\$179,194.06
33	AC SEC B 3" SC (12.5mm) ON 5" ABC	X	SY	720.00	\$31.92	\$22,982.40
34	AC SEC C 3" SC (12.5mm) ON 8" ABC	X	SY	1,920.00	\$27.79	\$53,356.80
35	AC SEC D 2" SC (12.5mm) ON 3" BC 19mm ON 7" ABC	X	SY	1,037.00	\$63.55	\$65,901.35
36	TACK COAT SS-1H	X	TN	20.00	\$866.00	\$17,320.00
37	SEAL COAT SS-1H	X	TN	21.00	\$503.00	\$10,563.00
38	VERTICAL CURB & GUTTER MAG STD 220A	X	LF	8,070.00	\$13.95	\$112,576.50
39	VERTICAL CURB MAG STD 222A	X	LF	7,720.00	\$9.20	\$71,024.00
40	MEDIAN NOSE MAG C.O.C. C-225	X	EA	12.00	\$359.00	\$4,308.00
41	6FT CONCRETE SIDEWALK MAG 230	X	SF	29,275.00	\$3.48	\$101,877.00
42	SIDEWALK RAMP MAG 231A	X	EA	24.00	\$2,327.00	\$55,848.00
43	VALLEY GUTTER & APRON C.O.C. C-223	X	SF	6,165.00	\$8.19	\$50,491.35
44	CONCRETE SCUPPER DTL C-500, L=8'	X	EA	14.00	\$3,316.00	\$46,424.00

Gilbert Road Improvements (Germann Road to Queen Creek Road)

45	SCUPPER SPILLWAY DTL C-500 (WIDTH 8FT)	X	EA	14.00	\$2,274.00	\$31,836.00		
46	BUS BAY ACCESSORY PAD, C.O.C. C-230	X	EA	3.00	\$1,457.00	\$4,371.00		
47	CATCH BASIN MAG 533-1 L=10 M=1	X	EA	2.00	\$5,664.00	\$11,328.00		
48	HEADWALL FOR 15" PIPE, MAG 501-1	X	EA	2.00	\$3,313.00	\$6,626.00		
49	15" CATCH BASIN CONNECTOR PIPE	X	LF	56.00	\$122.90	\$6,882.40		
50	CONCRETE DRIVEWAY MAG 250	X	SF	540.00	\$11.45	\$6,183.00		
51	ADJUST COX MANHOLE MAG DTL 231-A	ARS	EA	1.00	\$410.00	\$410.00		
52	ADJUST QWEST MANHOLE PER QWEST DTLS	ARS	EA	2.00	\$410.00	\$820.00		
53	REPLACE BRASS CAP MAG 120-1B	X	EA	1.00	\$100.00	\$100.00		
54	ADJUST VALVE MAG DTL 270, MAG SPEC 345 & C.O.C. C-307	ARS	EA	48.00	\$215.00	\$10,320.00		
55	ADJUST MANHOLE MAG DTL 422, MAG SPEC 345 & C.O.C. C-401	ARS	EA	16.00	\$235.00	\$3,760.00		
56	INSTALL BRICK PAVERS C.O.C. DTL C-225/C-237	E. Pavers	SF	5,775.00	\$7.61	\$43,947.75		
(c)	<u>SUBTOTAL - ROADWAY ITEMS</u>					<u>\$2,675,330.33</u>	<u>\$2,675,330.33</u>	<u>\$0.00</u>
<u>RECLAIMED WATER LINE</u>								
57	12" DIP RECLAIMED WATER LINE	X	LF	1,338.00	\$101.00	\$135,138.00		
58	8" DIP RECLAIMED WATER LINE	X	LF	528.00	\$117.56	\$62,071.68		
59	CONCRETE ENCASE EXISTING WATER LINE, MAG 404-3	X	LF	200.00	\$193.00	\$38,600.00		
60	12" GATE VALVE W/VALVE BOX & DEBRIS CAP, C.O.C. DTL C-406 & C-318, MAG 301	X	EA	3.00	\$2,225.00	\$6,675.00		
61	8" GATE VALVE W/VALVE BOX & DEBRIS CAP, C.O.C. DTL C-406 & C-318, MAG 301	X	EA	4.00	\$1,595.00	\$6,380.00		
62	12" X 12" TAPPING SLEEVE & VALVE W/VALVE BOX & DEBRIS CAP, C.O.C. C-406 & C- 318, MAG 340	X	EA	1.00	\$8,368.00	\$8,368.00		
63	12" X 8" TAPPING SLEEVE & VALVE W/VALVE BOX & DEBRIS CAP, C.O.C. C- 406 & C-318, MAG 340	X	EA	2.00	\$6,799.00	\$13,598.00		

Gilbert Road Improvements (Germann Road to Queen Creek Road)

64	FLUSHING PIPE ASSEMBLY (RECLAIMED WATER), C.O.C. C-300	X	EA	6.00	\$1,768.00	\$10,608.00
65	1" RECLAIMED WATER SERVICE, C.O.C. C-301	X	EA	2.00	\$5,307.00	\$10,614.00
66	CONNECT TO EXISTING RECLAIMED WATERLINE, 12"	X	EA	1.00	\$6,413.00	\$6,413.00
(d)	<u>SUBTOTAL - RECLAIMED WATER LINE ITEMS</u>				<u>\$298,465.68</u>	<u>\$0.00</u> <u>\$298,465.68</u>
	<u>POTABLE WATER</u>					
67	RELOCATE EXISTING FIRE HYDRANT, C.O.C. C-303	X	EA	8.00	\$1,659.00	\$13,272.00
68	RELOCATE EXISTING BACKFLOW ASSEMBLY & SIAMESE HYDRANT	X	EA	2.00	\$12,035.00	\$24,070.00
69	RELOCATE EXISTING WATER METER, C.O.C. C-301-1	X	EA	7.00	\$2,127.00	\$14,889.00
70	RELOCATE EXISTING BACKFLOW PREVENTER, C.O.C. C-302	X	EA	7.00	\$646.00	\$4,522.00
71	12" DIP POTABLE WATER LINE	X	LF	192.00	\$103.00	\$19,776.00
72	8" DIP POTABLE WATER LINE	X	LF	816.00	\$110.20	\$89,923.20
73	6" DIP POTABLE WATER LINE	X	LF	340.00	\$103.74	\$35,271.60
74	6" GATE VALVE W/VALVE BOX & BEBRIS CAP, C.O.C. C-307 & C-318, MAG 301	X	EA	4.00	\$1,227.00	\$4,908.00
75	16" X 8" TAP SLEEVE & VALVE W/VALVE BOX & DEBRIS CAP, C.O.C. C-307 & C-318, MAG 340	X	EA	7.00	\$6,422.00	\$44,954.00
76	16" X 6" TAP SLEEVE & VALVE W/VALVE BOX & DEBRIS CAP, C.O.C. C-307 & C-318, MAG 340	X	EA	2.00	\$6,355.00	\$12,710.00
77	FLUSHING PIPE ASSEMBLY (POTABLE WATER), C.O.C. C-300	X	EA	14.00	\$1,605.00	\$22,470.00
78	NEW FIRE HYDRANTS, C.O.C. C-303	X	EA	8.00	\$2,523.00	\$20,184.00
79	CONNECT TO EXISTING POTABLE WATER LINE, 12"	X	EA	1.00	\$1,825.00	\$1,825.00
80	CONNECT TO EXISTING POTABLE WATER LINE, 8"	X	EA	10.00	\$928.00	\$9,280.00
81	CONNECT TO EXISTING POTABLE WATER LINE, 6"	X	EA	8.00	\$891.00	\$7,128.00

Gilbert Road Improvements (Germann Road to Queen Creek Road)



97	5 GALLON PLANTS (ALLOWANCE)	ISS GC	EA	902.00	\$16.00	\$14,432.00
98	IRRIGATION SYSTEM (ALLOWANCE)	ISS GC	LS	1.00	\$48,178.00	\$48,178.00
99	1" IRRIGATION METER (ALLOWANCE)	ISS GC	EA	2.00	\$750.00	\$1,500.00
100	1" BACKFLOW PREVENTER (ALLOWANCE)	ISS GC	EA	2.00	\$1,506.00	\$3,012.00
101	IRRIGATION CONTROLLER (ALLOWANCE)	ISS GC	EA	2.00	\$6,327.00	\$12,654.00
102	3/4" DECOMPOSED GRANITE IN RETENTIONS 2" THICK MADISON GOLD (ALLOWANCE)	ISS GC	SY	5,100.00	\$5.85	\$29,835.00
103	3/4" DECOMPOSED GRANITE IN ISLANDS 2" THICK MADISON GOLD (ALLOWANCE)	ISS GC	SF	4,200.00	\$5.85	\$24,570.00

(h) SUBTOTAL - LANDSCAPING AND IRRIGATION ALLOWANCE      \$220,661.50      \$220,661.50      \$0.00  
ITEMS

STREET LIGHT & TRAFFIC  
SIGNAL SYSTEMS

104	MOBILIZATION ELECTRICAL SUB	Han Mar	LS	1.00	\$15,850.00	\$15,850.00
105	TEMPORARY PATCH FOR TRAFFIC SIGNAL	Han Mar	SY	110.00	\$84.70	\$9,317.00
106	RELOCATE EXISTING SL- 1 STREET LIGHT	Han Mar	EA	11.00	\$720.00	\$7,920.00
107	REMOVE & SALVAGE TRAFFIC SIGNAL	Han Mar	LS	1.00	\$2,150.00	\$2,150.00
108	DB STREET LIGHT POLE SL-1 W/COBRAHEAD LUM. 35.5' MNT HGT	Han Mar	EA	23.00	\$1,800.00	\$41,400.00
109	NO. 12 LUMINAIRE CONDUCTOR (TO PULL BOX)	Han Mar	LF	5,610.00	\$0.30	\$1,683.00
110	INSTALL SRP PROVIDED PULL BOX	Han Mar	EA	33.00	\$160.00	\$5,280.00
111	1" SCH 40PVC CONDUIT STREET LIGHTS	Han Mar	LF	165.00	\$11.00	\$1,815.00
112	2" SCH 40 PVC TRAFFIC SIGNAL CONDUIT	Han Mar	LF	90.00	\$14.00	\$1,260.00
113	3" SCH 40 PVC TRAFFIC SIGNAL CONDUIT	Han Mar	LF	60.00	\$26.00	\$1,560.00
114	4" SCH 40 PVC TRAFFIC SIGNAL CONDUIT	Han Mar	LF	970.00	\$30.00	\$29,100.00
115	2 1/2" STREET LIGHT CONDUIT	Han Mar	LF	1,245.00	\$6.50	\$8,092.50
116	4" PVC INNER CONNECT W/3 INNERDUCTS	Han Mar	LF	1,125.00	\$13.00	\$14,625.00

117	JOINT TRENCH W/2 1/2" SL CONDUIT & 4" PVC INTERCONNECT W/3 INNERDUCTS	Han Mar	LF	2,935.00	\$21.80	\$63,983.00
118	TYPE G FOUNDATION TRAFFIC SIGNAL	Han Mar	EA	2.00	\$900.00	\$1,800.00
119	TYPE Q FOUNDATION TRAFFIC SIGNAL	Han Mar	EA	2.00	\$2,400.00	\$4,800.00
120	TYPE R FOUNDATION	Han Mar	EA	4.00	\$2,400.00	\$9,600.00
121	TYPE IV TRAFFIC SIGNAL CONTROL CABINET FOUNDATION	Han Mar	EA	1.00	\$650.00	\$650.00
122	ELECTRIC SERVICE PEDESTAL FOUNDATION (TRAFFIC SIGNAL)	Han Mar	EA	1.00	\$550.00	\$550.00
123	TYPE G POLE GALVANIZED	Han Mar	EA	2.00	\$2,100.00	\$4,200.00
124	TYPE Q POLE GALVANIZED	Han Mar	EA	2.00	\$5,200.00	\$10,400.00
125	TYPE R POLE GALVANIZED	Han Mar	EA	4.00	\$6,350.00	\$25,400.00
126	20 FT LUMINAIRE MAST ARM GALVANIZED	Han Mar	EA	8.00	\$700.00	\$5,600.00
127	35 FT LUMINAIRE MAST ARM GALVANIZED	Han Mar	EA	1.00	\$2,000.00	\$2,000.00
128	40 FT LUMINAIRE MAST ARM GALVANIZED	Han Mar	EA	1.00	\$2,700.00	\$2,700.00
129	55 FT SIGNAL MAST ARM GALVANIZED	Han Mar	EA	4.00	\$4,170.00	\$16,680.00
130	TYPE F SIGNAL HEAD	Han Mar	EA	21.00	\$619.00	\$12,999.00
131	TYPE R SIGNAL HEAD	Han Mar	EA	8.00	\$590.00	\$4,720.00
132	TYPE II SIGNAL MOUNT	Han Mar	EA	17.00	\$60.00	\$1,020.00
133	TYPE V SIGNAL MOUNT	Han Mar	EA	13.00	\$340.00	\$4,420.00
134	TYPE VII SIGNAL MOUNT	Han Mar	EA	8.00	\$360.00	\$2,880.00
135	SIGNAL PED HEAD (MAN/HAND TYPE)	Han Mar	EA	15.00	\$400.00	\$6,000.00
136	PED PUSH BUTTON	Han Mar	EA	11.00	\$340.00	\$3,740.00
137	250 WATT LUMINAIRE	Han Mar	EA	8.00	\$350.00	\$2,800.00
138	TYPE IV TRAFFIC SIGNAL CONTROL CABINET AND TS2 CONTROLLER	Han Mar	EA	1.00	\$18,500.00	\$18,500.00
139	METERED SERVICE PEDESTAL	Han Mar	EA	1.00	\$2,800.00	\$2,800.00
140	OPTICOM EMERGENCY PRE-EMPTION SYSTEM (INTERSECTION)	Han Mar	EA	2.00	\$3,700.00	\$7,400.00

141	ECONOLITE SOLO-PRO 4-CAMERA VIDEO DETECTION SYSTEM	Han Mar	EA	2.00	\$37,360.00	\$74,720.00
142	RELOCATE EXISTING VIDEO DETECTION CAMERA TO NEW LMA	Han Mar	EA	1.00	\$370.00	\$370.00
143	ILUMINATED STREET NAME SIGN	Han Mar	EA	8.00	\$2,600.00	\$20,800.00
144	TRAFFIC SIGNAL CONDUCTORS (INTERSECTION)	Han Mar	EA	2.00	\$11,370.00	\$22,740.00
145	FIBER OPTIC SPLICE CLOSURE & GATOR PATCH (INCL. SPLICING & TESTING)	Han Mar	EA	2.00	\$1,500.00	\$3,000.00
146	8 PORT SERIAL SERVER	Han Mar	EA	1.00	\$1,500.00	\$1,500.00
147	8 PORT SINGLE MODE FIBER OPTIC TRANSCEIVER	Han Mar	EA	1.00	\$5,600.00	\$5,600.00
148	4 CHANNEL VIDEO SERVER	Han Mar	EA	1.00	\$2,900.00	\$2,900.00
149	SMFO 6 FIBER CABLE	Han Mar	LF	100.00	\$3.00	\$300.00
150	SMFO 48 FIBER CABLE	Han Mar	LF	5,610.00	\$2.80	\$15,708.00
151	No. 7 PULL BOX	Han Mar	EA	1.00	\$550.00	\$550.00
152	No. 7 PULL BOX W/EXTENSION (IC & TS)	Han Mar	EA	6.00	\$700.00	\$4,200.00
153	No. 9 PULL BOX	Han Mar	EA	2.00	\$2,900.00	\$5,800.00
154	TEMPORARY TRAFFIC SIGNAL (ALLOWANCE)	Han Mar	LS	1.00	\$17,200.00	\$17,200.00
155	IRRIGATION SERVICE PEDESTAL (ALLOWANCE)	Han Mar	EA	2.00	\$2,800.00	\$5,600.00
156	IRRIGATION SERVICE PEDESTAL FOUNDATION (ALLOWANCE)	Han Mar	EA	2.00	\$550.00	\$1,100.00
157	SRP JOINT TRENCH	Han Mar	LF	776.00	\$66.00	\$51,216.00
158	QWEST ONLY TRENCH (INSTALL QWEST FURNISHED CONDUIT & PEDESTALS ) (INCL. SPLICE PITS)	Han Mar	LF	619.00	\$50.00	\$30,950.00
(i)	<u>SUBTOTAL - STREET LIGHT &amp; TRAFFIC SIGNAL SYSTEMS ITEMS</u>				\$619,948.50	\$619,948.50
	<u>STRIPING AND SIGNAGE</u>					
159	MOBILIZATION STRIPING SUB	RM	LS	1.00	\$1,100.00	\$1,100.00
160	4" WHITE STRIPE	RM	LF	5,100.00	\$0.15	\$765.00

161	6" WHITE STRIPE	RM	LF	12,000.00	\$0.23	\$2,760.00
162	6" WHITE STRIPE THERMOPLASTIC MINI SKIPS	RM	LF	1,200.00	\$0.30	\$360.00
163	8" WHITE STRIPE THERMOPLASTIC	RM	LF	5,000.00	\$0.40	\$2,000.00
164	12" WHITE STRIPE THERMOPLASTIC	RM	LF	2,400.00	\$1.20	\$2,880.00
165	18" WHITE THERMOPLASTIC	RM	LF	700.00	\$1.80	\$1,260.00
166	WHITE REFLECTOR	RM	EA	700.00	\$4.50	\$3,150.00
167	BLUE REFLECTOR	RM	EA	22.00	\$6.00	\$132.00
168	BIKE LANE SYMBOL	RM	EA	20.00	\$115.00	\$2,300.00
169	TURN LANE SYMBOL	RM	EA	31.00	\$115.00	\$3,565.00
170	PAINT MEDIAN NOSES YELLOW	RM	EA	19.00	\$85.00	\$1,615.00
171	INSTALL SIGNS PER C.O.C. DTL C-613	ARS	EA	69.00	\$103.00	\$7,107.00
172	SIGN POST PER C.O.C. DTL C-613	ARS	EA	56.00	\$231.25	\$12,950.00

(j) SUBTOTAL - STRIPING AND SIGNAGE ITEMS \$41,944.00 \$41,944.00 \$0.00

RWCD IRRIGATION

173	36" RGRCP, CLASS V	X	LF	552.00	\$225.40	\$124,420.80
174	36" RGRCP, CLASS III	X	LF	2,349.00	\$130.80	\$307,249.20
175	18" RGRCP, CLASS III	X	LF	24.00	\$182.00	\$4,368.00
176	4 SIDED MANHOLE	X	EA	6.00	\$10,479.00	\$62,874.00
177	5 SIDED MANHOLE	X	EA	8.00	\$13,425.00	\$107,400.00
178	JUNCTION BOX	X	EA	1.00	\$18,127.00	\$18,127.00
179	TURNOUT STRUCTURE, TYPE 1	X	EA	1.00	\$23,604.00	\$23,604.00
180	HEADWALL FOR 36" PIPE	X	EA	1.00	\$10,798.00	\$10,798.00
181	HEADWALL FOR 18" PIPE	X	EA	1.00	\$8,754.00	\$8,754.00
182	CONCRETE DITCH	X	LF	10.00	\$756.00	\$7,560.00
183	ADJUST RWCD MANHOLE	X	EA	1.00	\$6,643.00	\$6,643.00
184	VERTICAL REALIGN EXISTING 16" WATER MAIN	X	EA	2.00	\$7,751.00	\$15,502.00

(k) SUBTOTAL - RWCD IRRIGATION ITEMS \$697,300.00 \$697,300.00 \$0.00

Subtotal #1 / Running Total #1 - Work Item	\$6,138,198.22	\$5,107,715.36	\$1,030,482.86
Direct Costs			
Subtotal #1 / Running Total #1 - T & MU "%s" of Total Direct Costs		83.2119650329%	16.7880349671%

1001	Contractor's Fee for Overhead and Profit (10% of Running Total #1)	%	1.00	\$613,819.82	\$613,819.82	
1002	General Conditions (See Exhibit B1)	X	MO	7.00	\$33,192.40	\$232,346.80

Subtotal #2 - Fee				\$846,166.62	\$704,111.87	\$142,054.75
Running Total #2 - Total w/o Bond, Insurance, Tax and Contingency				\$6,984,364.84	\$5,811,827.23	\$1,172,537.61
1003	Builder's Risk, General Liability, Auto Insurance, etc... (1.5% of Running Total #2)	%	1.00	\$104,765.47	\$104,765.47	
1004	General Contractor's Bond (1% of Running Total #2) (Allowance)	ALLOW	1.00	\$69,843.65	\$69,843.65	
Subtotal #3 - Markups				\$174,609.12	\$145,295.68	\$29,313.44
Running Total #3 - Total w/o Tax and Contingency				\$7,158,973.96	\$5,957,122.91	\$1,201,851.05
1005	Sales Tax (COC 65% of 7.8% or 5.070% of Running Total #3) (Allowance)	ALLOW	1.00	\$362,959.98	\$362,959.98	
1006	Tax Credits (Allowance) (Current Estimated Costs = Storm Drain Pipe and Irrigation Pipe - \$22,592.00; Potable and Reclaimed Water Pipe - \$108,247.86; RWCD Irrigation - \$122,304.00; TOTAL=\$253,143.86)	ALLOW	1.00	-\$12,834.39	-\$12,834.39	
Subtotal #4 - Tax				\$350,125.59	\$291,346.38	\$58,779.21
Running Total #4 - TOTAL GMP (Before Contingencies)				\$7,509,099.55	\$6,248,469.29	\$1,260,630.26
1007	Construction Contingency (See Exhibits B2 and D)	LS	1.00	\$722,645.19	\$722,645.19	
Subtotal #5 - Construction Contingency				\$722,645.19	\$655,888.38	\$66,756.81
Running Total #5 - TOTAL GMP (w/ Construction Contingency)				\$8,231,744.74	\$6,904,357.67	\$1,327,387.07
1008	Owner's Contingency (About 10% of the Project's Direct Cost)	LS	1.00	\$600,000.00	\$600,000.00	
Subtotal #6 - Owner Contingency				\$600,000.00	\$499,271.79	\$100,728.21
Running Total #6 - TOTAL CONTRACT (w/ All Contingencies)				\$8,831,744.74	\$7,403,629.46	\$1,428,115.28

**EXHIBIT B-1**  
GENERAL CONDITIONS

Bid Item Number	Description	UM	Quantity	%	Unit Price	Total Price
	<u>7 MONTHS ESTIMATED GENERAL CONDITIONS</u>	MO	7.00	N/A		
1002.1	PROJECT MANAGER (50%)	HR	1232.00	50.00%	92.20	\$56,795.20
1002.2	PROJECT GEN SUPT (100%)	HR	1232.00	100.00%	88.80	\$109,401.60
1002.3	FIELD OFFICE TRAILERS (1 EA)	MO	7.00	100.00%	1000.00	\$7,000.00
1002.4	STORAGE CONTAINERS (3 EA)	MO	7.00	300.00%	250.00	\$5,250.00
1002.5	FIELD OFFICE & YARD POWER	MO	7.00	100.00%	1500.00	\$10,500.00
1002.6	FIELD OFFICE TOILETS (2 EA)	MO	7.00	200.00%	100.00	\$1,400.00
1002.7	FIELD OFFICE WATER	MO	7.00	100.00%	100.00	\$700.00
1002.8	CONSTRUCTION YARD FENCE	MO	7.00	100.00%	500.00	\$3,500.00
1002.9	OFFICE EQUIP & SUPPLIES	MO	7.00	100.00%	1000.00	\$7,000.00
1002.10	MISC OFF & YARD TRASH DUMPSTERS	MO	7.00	100.00%	1000.00	\$7,000.00
1002.11	YARD PROPERTY RENT	MO	7.00	100.00%	2500.00	\$17,500.00
1002.12	PROJECT FIELD TOILETS (4 EA)	MO	7.00	400.00%	100.00	\$2,800.00
1002.13	PROJECT ICE & DRINKING WATER	MO	7.00	100.00%	500.00	\$3,500.00
	<u>TOTAL ESTIMATED GENERAL CONDITIONS</u>	LS				<u>\$232,346.80</u>
1002	<u>TOTAL ESTIMATED GENERAL CONDITIONS</u>	MO				<u>\$33,192.40</u>

**EXHIBIT B-2  
CONSTRUCTION CONTINGENCY**

Bid Item Number	Description	UM	Quantity	Unit Price 5/23/08	Total Price 5/23/08	TRANS- PORTATION ("T" SUBT)	MUNICIPAL UTILITIES ("MU" SUBT)
	<b>GENERAL ITEMS</b>						
1007.1	SRP 12KV DRY UTILITY WORKS	LS	1.00	\$250,000.00	\$250,000.00	\$250,000.00	\$0.00
1007.2	VARIANCE IN LANDSCAPE & IRRIGATION	LS	1.00	\$75,000.00	\$75,000.00	\$75,000.00	\$0.00
1007.3	QUANTITY VARIATIONS	LS	1.00	\$120,000.00	\$120,000.00	\$99,854.36	\$20,145.64
1007.4	COMMODITY ESCALATIONS	LS	1.00	\$100,000.00	\$100,000.00	\$83,211.97	\$16,788.03
1007.5	COMMODITY ESCALATION CAUSED BY FUEL RATE INCREASES	LS	1.00	\$65,000.00	\$65,000.00	\$54,087.78	\$10,912.22
	<b>SUBTOTAL - GENERAL ITEMS</b>				\$610,000.00	\$562,154.10	\$47,845.90
	<b>Subtotal #1 / Running Total #1 - Work Item Direct Costs</b>				\$610,000.00	562,154.10	\$47,845.90
1001	Contractor's Fee for Overhead and Profit (10% of Running Total #1)	%	1.00	\$61,000.00	\$61,000.00		
1002	General Conditions (See Exhibit B1)	MO.	0.00	\$33,192.40	\$0.00		
	<b>Subtotal #2 - Fee</b>				\$61,000.00	\$50,759.30	\$10,240.70
	<b>Running Total #2 - Total w/o Bond, Insurance, Tax and Contingency</b>				\$671,000.00	\$612,913.40	\$58,086.60
1003	Builder's Risk, General Liability, Auto Insurance, etc... (1.5 % of Running Total #2)	%	1.00	\$10,065.00	\$10,065.00		
1004	General Contractor's Bond (1 % of Running Total #2) (Allowance)	%	1.00	\$6,710.00	\$6,710.00		
	<b>Subtotal #3 - Markups</b>				\$16,775.00	\$13,958.81	\$2,816.19
	<b>Running Total #3 - Total w/o Tax and Contingency</b>				\$687,775.00	\$626,872.21	\$60,902.79

Gilbert Road Improvements (Germann Road to Queen Creek Road)

1005	Sales Tax (COS 65% of 7.8% or 5.070% of Running Total #3)	%	1.00	\$34,870.19	\$34,870.19		
1006	Waterline Materials Tax Credit	LS	1.00	\$0.00	\$0.00		
	Subtotal #4 - Tax				\$34,870.19	\$29,016.17	\$5,854.02
	Running Total #4 - TOTAL Estimate of Construction Contingencies				\$722,645.19	\$655,888.38	\$66,756.81

**PERFORMANCE BOND**

ARIZONA STATUTORY PERFORMANCE BOND  
PURSUANT TO TITLES 28, 34, AND 41, ARIZONA REVISED STATUTES  
(Penalty of this bond must be 100% of the Contract amount)

KNOW ALL MEN BY THESE PRESENTS THAT: \_\_\_\_\_

(hereinafter "Principal"), and \_\_\_\_\_ (hereinafter "Surety"), a corporation organized and existing under the laws of the State of \_\_\_\_\_ with its principal office in the City of \_\_\_\_\_, holding a certificate of authority to transact surety business in Arizona issued by the Director of Insurance pursuant to Title 20, Chapter 2, Article 1, as Surety, are held and firmly bound unto \_\_\_\_\_ (hereinafter "Obligee") in the amount of \_\_\_\_\_ (Dollars) (\$ \_\_\_\_\_), for the payment whereof, Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the Obligee, dated the \_\_\_\_\_ day of \_\_\_\_\_, 2008 for construction of **Gilbert Road Improvements (Germann Road to Queen Creek Road) CITY PROJECT NO. ST0625-401** which contract is hereby referred to and made a part hereof as fully and to the same extent as if copies at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal faithfully performs and fulfills all the undertakings, covenants, terms, conditions and agreements of the contract during the original term of the contract and any extension of the contract, with or without notice of the Surety, and during the life of any guaranty required under the contract, and also performs and fulfills all the undertakings, covenants, terms, conditions, and agreements of all duly authorized modifications of the contract that may hereafter be made, notice of which modifications to the Surety being hereby waived, the above obligation is void. Otherwise it remains in full force and effect.

PROVIDED, HOWEVER that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, to the same extent as if it were copied at length in this agreement.

The prevailing party in a suit on this bond shall recover as part of the judgment reasonable attorney fees that may be fixed by a judge of the court.

Witness our hands this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
AGENT OF RECORD

\_\_\_\_\_  
PRINCIPAL SEAL

By \_\_\_\_\_

\_\_\_\_\_  
AGENT ADDRESS

\_\_\_\_\_  
SURETY SEAL

**PAYMENT BOND**

ARIZONA STATUTORY PAYMENT BOND  
PURSUANT TO TITLES 28, 34, AND 41, OF THE ARIZONA REVISED STATUTES  
(Penalty of this Bond must be 100% of the Contract amount)

KNOW ALL MEN BY THESE PRESENTS THAT: \_\_\_\_\_

(hereinafter "Principal"), as Principal, and \_\_\_\_\_ (hereinafter "Surety"), a corporation organized and existing under the laws of the State of \_\_\_\_\_ with its principal office in the City of \_\_\_\_\_, holding a certificate of authority to transact surety business in Arizona issued by the Director of the Department of Insurance pursuant to Title 20, Chapter 2, Article 1, as Surety, are held and firmly bound unto \_\_\_\_\_ (hereinafter "Obligee") in the amount of \_\_\_\_\_ (Dollars) (\$ \_\_\_\_\_), for the payment whereof, the Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the Obligee, dated the \_\_\_\_\_ day of \_\_\_\_\_, 2008 for construction of Gilbert Road Improvements (Germann Road to Queen Creek Road) CITY PROJECT NO.: ST0625-401 which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal promptly pays all moneys due to all persons supplying labor or materials to the Principal or the Principal's subcontractors in the prosecution of the work provided for in said contract, this obligation is void. Otherwise it remains in full force and effect.

PROVIDED, HOWEVER that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2 Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions, conditions and limitations of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, to the same extent as if it were copied at length in this agreement.

The prevailing party in a suit on this bond shall recover as part of the judgment reasonable attorney fees that may be fixed by a judge of the court.

Witness our hands this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
AGENT OF RECORD

\_\_\_\_\_  
PRINCIPAL SEAL

By \_\_\_\_\_

\_\_\_\_\_  
SURETY SEAL

\_\_\_\_\_  
AGENT ADDRESS

**CITY OF CHANDLER, ARIZONA  
CERTIFICATE OF INSURABILITY**

**CITY OF CHANDLER PRIVILEGE TAX LICENSE**

(Refer to Article 6.9, General Conditions; CONTRACTOR'S RESPONSIBILITIES)

**PROJECT NAME: Gilbert Road Improvements,(Germann Road to Queen Creek Road)**

**PROJECT NUMBER: ST0625-401**

Please attach current certificate per Article 6.9 General Conditions.



CITY OF CHANDLER, ARIZONA  
PUBLIC WORKS DEPARTMENT

CERTIFICATE OF COMPLETION

Project Name: Gilbert Road Improvements (Germann Road to Queen Creek Road)  
Project No.: ST0625-401

(TO BE COMPLETED BY CONTRACTOR)

I HEREBY CERTIFY THAT ALL GOODS AND/OR SERVICES REQUIRED BY CITY OF CHANDLER PROJECT NO. ST0625-401 HAVE BEEN DELIVERED IN ACCORDANCE WITH THE CONTRACT DOCUMENTS AND BID SPECIFICATIONS AND ALL ACTIVITIES REQUIRED BY THE CONTRACTOR UNDER THE CONTRACT HAVE BEEN COMPLETED AS OF \_\_\_\_\_.

(Date)

FIRM NAME: \_\_\_\_\_

PRINCIPAL: \_\_\_\_\_

(Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

DATE: \_\_\_\_\_

CERTIFIED BY ENGINEER/CONSULTANT:

\_\_\_\_\_  
(Signature)

DATE: \_\_\_\_\_

\_\_\_\_\_  
(Firm Name)

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**PROJECT ACCEPTED BY USER DEPARTMENT**

\_\_\_\_\_  
(Signature)

DATE: \_\_\_\_\_

\_\_\_\_\_  
(Dept./Div.)

\_\_\_\_\_ Date of Final Walk-Through

\_\_\_\_\_ Date As-Built Received

\_\_\_\_\_ City As-Built Number

**City of Chandler  
GENERAL CONDITIONS**