Chandler · Arizona Where Values Make The Difference	PURCHASING ITEM FOR COUNCIL AGENDA Memo No. CA08-279	1. Agenda Item Number: 42
		2. Council Meeting Date: June 26, 2008
TO: MAYOR & COUNCIL		3. Date Prepared: June 6, 2008
THROUGH: CITY MANAGER		4. Requesting Department: Public Works

5. SUBJECT: Award a Construction Manager at Risk contract to Nesbitt Contracting Co., Inc for roadway improvements for Riggs Road (Gilbert Road to Val Vista Drive) – Phase II Guaranteed Maximum Price (GMP), Project No. ST0613-402, in an amount not to exceed $1,180,425.11.

6. RECOMMENDATION: Staff recommends that Council award a contract for Construction Manager at Risk to Nesbitt Contracting Co., Inc. for roadway improvements for Riggs Road (Gilbert Road to Val Vista Drive) – Phase II Guaranteed Maximum Price (GMP), Project No. ST0613-402, in an amount not to exceed $1,180,425.11.

BACKGROUND/DISCUSSION: A Phase I GMP was awarded to Nesbitt Contracting Co, May 8, 2008. Phase I construction consists of half street improvements for Hillcrest Drive from Riggs Road to 1050 feet north to the Chandler Mesquite Groves Aquatic Center project site. This is to include roadway, landscaping, signing, and striping. These improvements are anticipated to be completed by the beginning of July. Phase II construction consists of narrowing the medians to add one additional traffic lane in each direction from Val Vista to Hillcrest adjacent to Basha High School. The work includes installation of an 8" sewer line that extends the sewer system from Blackhills Way to west of Val Vista Drive to the City of Chandler Future Water Production & Storage Facility on the southeast corner, installation of fire hydrants, landscape sleeves, new median curb, asphalt paving, and traffic signalization at Hillcrest. These improvements are anticipated to be completed in November. Phase III construction will be brought forward for consideration in mid to late summer. The remaining work will be preformed in Phase III, which will widen Riggs Road from Gilbert Road to Val Vista Drive to six-lanes, including dual left turn lanes, dedicated right turn lanes, and bike lanes and with minimal impact to the existing sidewalks/curbing. The project also includes new bus stops and shelters and drainage improvements. Improvements will adhere to the City's standard arterial street detail and include raised medians, curb and gutter, sidewalk, driveways, traffic signals, streetlights, water, sanitary sewer mains, and utility relocation/coordination.

8. EVALUATION: The total construction cost is anticipated to be approximately $7.8 million. To help minimize remobilization fees until the project plans are finalized and approved, Phase II construction and material costs were reviewed separately. Staff has reviewed the proposed costs, the billing rates, and the fee for this contract and determined that the fee is consistent with similar types of projects.

9. FINANCIAL IMPLICATIONS:

Cost: $1,180,425.11
Savings: N/A
Long Term Costs: N/A
Fund Source:

Acct. No.:	Fund Name:	Program Name:	CIP Funded:	Amount:
411.3310.6517.0000.8ST547	General Obligation Bonds - Streets	Riggs Road (Gilbert Road to Val Vista Drive)	FY07/08	$1,180,425.11

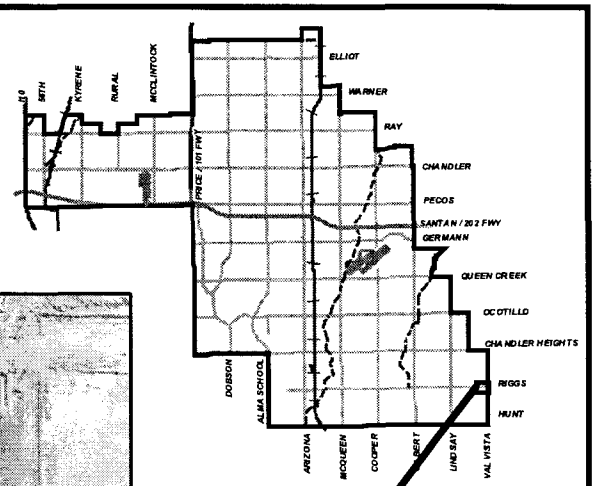
10. PROPOSED MOTION: Move that Council award a Construction Manager at Risk contract to Nesbitt Contracting Co., Inc for roadway improvements for Riggs Road (Gilbert Road to Val Vista Drive) – Phase II Guaranteed Maximum Price (GMP), Project No. ST0613-402, in an amount not to exceed $1,180,425.11.

ATTACHMENTS: Location Map

APPROVALS	
11. Requesting Department	**13. Department Head**
Daniel W. Cook, Deputy Public Works Director	R.J. Zeder, Public Works Director
12. City Engineer	**14. City Manager**
Sheina Hughes, Assistant Public Works Director/City Engineer	W. Mark Pentz

RIGGS RD (GILBERT TO VAL VISTA)
PHASE II GMP
PROJECT NO. ST0613-402

Chandler • Arizona



MEMO NO. CA08-279

PROJECT AREA

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CONSTRUCTION MANAGER AT RISK
CONSTRUCTION CONTRACT

PROJECT TITLE: Riggs Road Improvements (Gilbert Road to Val Vista Drive) Phase II
PROJECT NO: ST0613-402

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 **Nesbitt Contracting Co., Inc., a Corporation of the State of Arizona**, (hereina fter 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. **ST0613-402** and is described as follows: construction of Riggs Road Improvements (Gilbert Road to Val Vista Drive) Phase II 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 Russ Slotnick

6. ARTICLE SIX - CONTRACT TIME

6.1. Completion time. The Work shall be substantially complete within **Ninety (90)** 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 **One Hundred Twenty (120)** 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 **Seven Hundred Ten** dollars and no cents (**$710**) 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 **Three Hundred Fifty Five** dollars and no cents (**$355**) 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 **One Million One Hundred Eighty Thousand Four Hundred Twenty Five dollars Eleven cents ($1,180,425.11)** ("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 One Hundred One Thousand Five Hundred Five dollars Ninety cents ($101,505.90) ("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: Riggs Road Improvements (Gilbert Road to Val Vista Drive) Phase II Project No. ST0613-401

12.3. The Drawings, comprised of a set entitled: Riggs Road Improvements (Gilbert Road to Val Vista Drive) Phase II Project No. ST0613-401

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

MAYOR Date

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

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney by: SEAL

CONSTRUCTION MANAGER AT RISK

By: Signature

James L. Nesbitt, President
Printed or Typed

ADDRESS FOR NOTICE
Nesbitt Contracting Co., Inc.
100 S. Price Road
Tempe, AZ 85281
Phone: (480) 894-2831
Fax: (480) 894-5280

ATTEST: If Corporation
For Mike Elliott
Secretary

EXHIBIT A
GMP ASSUMPTIONS AND CLARIFICATIONS

Scope of Work:

CM@R shall provide all labor and materials to perform Phase II construction improvements. Scope of work construction for Phase II consists of adding one additional traffic lane in each direction from Val Vista to Hillcrest adjacent to Basha High School. The work includes installation of a new sewer line and narrowing the medians east of Hillcrest to Val Vista. New traffic signals shall be installed at Hillcrest by July 4th in preparation for the opening of the Mesquite Groves Aquatic Center.

The scope of work for this GMP is limited to removal of existing medians and asphalt, installation of the new sewer line, installation of fire hydrants, landscape sleeves, new median curb, asphalt paving, and traffic signalization at Hillcrest.

Landscaping, street lights, striping and signing, ITS conduits, and the entrance obelisk shall be constructed in conjunction with this Phase II and the costs associated with these items shall be included in Phase III construction.

The area of work for this portion of the project extends on Riggs Road from the west side of Hillcrest to the west edge of Val Vista Road.

Major Work Items Include:

A. Installation of 1106 LF of 8" sewer and 3 new manholes.

B. Removal of median curbing and landscaping.

C. Install vertical curbing and bus shelter pads.

D. Install fire hydrants.

E. Pave additional lanes.

F. Install traffic signal at Hillcrest.

Assumptions and Clarifications:

A. Traffic can be restricted to one lane in each direction on Riggs Road from Val Vista to Hillcrest and the city will not enforce the work hour restrictions for arterial streets.

B. Variable message boards will be limited to two.

C. Curb elevations at medians will be adjusted to match existing slopes.

D. Public relations will be limited to one hotline, one web page, and 50 newsletters issued monthly (hand delivered and faxed).

E. City permit fees will be waived for this project.

F. The new drop manhole will be deleted and the drop connection made at the existing manhole. Backfill for the sewer is native material at medians, ABC under paving when parallel to traffic and ½ sack ABC slurry when perpendicular to traffic.

G. Electric, landscape, signing and striping work in the same area will be constructed during this phase, but paid for under the phase 3 GMP.

H. The GMP has been prepared using the following Contract Documents:

1. Olsson Associates 90% Plans (Submittal Dated 3/30/2007) Marked "Preliminary – Not for construction.

Title	Sheet No.	Mark
Cover Sheet	1	
General Notes	2-4	G1-G3
Legend & Abbreviations	5	G-4
Key Map	6	G-5
Geometric Layout & Data	7	GE01
Typical Sections	8-14	TYP1-TYP7
Utility/Removals	15-28	RE01-RE14
Plan & Profile	29-56	PP01-PP28
Retention Basin Plan	57-65	DP01-DP09
Traffic Signal Layout	66-70	TS1-TS5
Pavement Marking & Signing	71-79	PM1-PM9
Lighting Plan	80-85	LT1-LT6
Tree Removal	86-97	TR01-TR12
Landscape Plans	98-111	LS01-LS13
Landscape Details	112-114	LS1.1-LS1.3
Irrigation Plans	115-128	IR01-IR13
Irrigation Details	129-131	ID1.1-ID1.3
SS Plan & Profile	132-134	SS01-SS03
Utility Cross Sections	135-140	UT01-UT06

It is assumed that plans related to Phase II GMP shall be revised and provided prior to start of construction.

2. MAG STANDARDS DETAILS (1998 WITH REVISIONS THROUGH 2005)

3. CITY OF CHANDLER STANDARD DETAILS (JANUARY 2002)

4. NINYO & MOORE GEOTECHNICAL EVALUATION DATED NOVEMBER 21, 2006

EXHIBIT B
GMP

Item No.	Description	Propose To Self Perform	UM	Unit Cost	PHASE II RIGGS RD Quantity	Cost
	REMOVALS					
10	REMOVE ASPHALT PAVEMENT		SY	$12.23	975.0	$11,924.25
20	REMOVE SIDEWALK, D/W, S/W RAMPS		SF	$1.85	436.0	$806.60
30	REMOVE CURB & GUTTER		LF	$6.93	22.0	$152.46
40	REMOVE VERTICAL CURB		LF	$4.80	3,700.0	$17,760.00
42	REMOVE TREES		EA	$750.61	22.0	$16,513.42
44	REMOVE TRAFFIC SIGN		EA	$113.93	1.0	$113.93
	ROADWAY					
50	ROADWAY EXCAVATION		CY	$18.37	4,465.0	$82,022.05
60	SUBGRADE PREPARATION		SY	$5.06	3,250.0	$16,445.00
70	INSTALL MAG ABC		TON	$13.81	3,400.0	$46,954.00
80	ASPHALT CONCRETE(EVAC) A-19		TON	$75.34	675.0	$50,854.50
90	ASPHALT CONCRETE ASPHALT RUBBER		TON	$90.68	620.0	$56,221.60
100	TACK COAT		TON	$708.32	4.0	$2,833.28
110	REMOVE & REPLACE AC (T-TRENCH)		SF	$8.44	370.0	$3,122.80
	ADJUSTMENTS					
130	ADJUST MANHOLES TO GRADE		EA	$325.00	5.0	$1,625.00
135	ADJUST WATER & GAS VALVES TO GRADE		EA	$375.00	5.0	$1,875.00
	CONCRETE					
140	INSTALL CURB & GUTTER MAG DET 220 A		LF	$15.04	22.0	$330.88
150	INSTALL SINGLE CURB MAG DET 222A		LF	$11.16	4,840.0	$54,014.40
170	INSTALL SIDEWALK		SF	$5.32	310.0	$1,649.20
180	INSTALL ADA BUS SHELTER PAD		SF	$9.67	260.0	$2,514.20
190	BUS SHELTER PAD PER COC DETAIL 230		SF	$6.07	240.0	$1,456.80
	WATER					
290	6" DIP		LF	$101.59	161.0	$16,355.99
330	FIRE HYDRANTS		EA	$2,925.00	6.0	$17,550.00
340	6 X 6 TAPPING SLEEVE & VALVE		EA	$3,450.00	1.0	$3,450.00
350	16 X 6 TAPPING SLEEVE & VALVE		EA	$4,150.00	6.0	$24,900.00
	SEWER					
352	8" SDR35 SEWER LINE		LF	$101.96	1,106.0	$112,767.76
353	SANITARY SEWER MANHOLE		EA	$4,850.00	3.0	$14,550.00

354 DROP CONNECTION TO EXISTING MANHOLE	EA	$11,500.00	1.0	$11,500.00
TRAFFIC SIGNAL				
361 TRAFFIC SIGNAL POLE (TYPE R)	EA	$6,750.00	3.0	$20,250.00
362 TRAFFIC SIGNAL POLE (TYPE Q)	EA	$4,830.00	1.0	$4,830.00
363 POLE FOUNDATION (TYPE Q)	EA	$2,755.00	4.0	$11,020.00
364 MAST ARM (20')	EA	$2,615.00	4.0	$10,460.00
365 MAST ARM (35')	EA	$2,765.00	1.0	$2,765.00
366 MAST ARM (55')	EA	$6,890.00	3.0	$20,670.00
368 CONDUCTORS (TRAFFIC SIGNAL)	LS	$20,240.00	1.0	$20,240.00
369 PULL BOX (TRAFFIC SIGNAL)	EA	$830.00	2.0	$1,660.00
370 MISC. WORK (VIDEO DET SYS)	LS	$40,000.00	1.0	$40,000.00
371 EMERGENCY PRE-EMPTION	LS	$6,230.00	1.0	$6,230.00
372 TRAFFIC SIGNAL FACE (TYPE F)(LED)	EA	$660.00	18.0	$11,880.00
373 TRAFFIC SIGNAL FACE PEDESTRIAN (MAN-HAND)	EA	$655.00	8.0	$5,240.00
374 PEDESTRIAN PUSH BUTTON	EA	$345.00	8.0	$2,760.00
375 T.S. MOUNTING ASSY (TYPE II)	EA	$160.00	10.0	$1,600.00
376 T.S. MOUNTING ASSY (TYPE V)	EA	$410.00	8.0	$3,280.00
378 T.S. MOUNTING ASSY (TYPE VII)	EA	$275.00	4.0	$1,100.00
379 T.S CONDUIT (2")	LF	$16.20	180.0	$2,916.00
380 T.S CONDUIT (3")	LF	$22.60	50.0	$1,130.00
381 T.S CONDUIT (4")	LF	$35.75	260.0	$9,295.00
382 CONTROL CABINET (TYPE IV)	EA	$30,855.00	1.0	$30,855.00
386 CONTROL CABINET FOUNDATION	EA	$1,510.00	1.0	$1,510.00
390 METER PEDESTAL CABINET	EA	$4,750.00	1.0	$4,750.00
394 LUMINAIRE (HORIZ)(250W)	EA	$450.00	4.0	$1,800.00
398 ILLUNINATED STREET SIGN	EA	$5,375.00	4.0	$21,500.00
LANDSCAPE				
400 PVC SLEEVES (4")	LF	$39.98	320.0	$12,793.60
SURVEY & QUALITY CONTROL				
420 CONTRACTOR SUPPLIED AS-BUILTS	LS	$3,840.00	1.0	$3,840.00
430 CONSTRUCTION SURVEY & LAYOUT	LS	$21,840.00	1.0	$21,840.00
440 CONTRACTOR QUALITY CONTROL	AL	$15,000.00	1.0	$15,000.00
TRAFFIC CONTROL				
450 TRAFFIC CONTROL	LS	$21,300.00	1.0	$21,300.00
460 UNIFORMED OFFICER	HR	$45.00	200.0	$9,000.00
MOBILIZATION & MISCELLANEOUS				
470 PERMITS (Maricopa County)	AL	$2,295.00	1.0	$2,295.00
480 SWPPP	AL	$3,500.00	1.0	$3,500.00

490 PUBLIC RELATIONS		AL	$5,000.00	1.0	$5,000.00
500 MOBILIZATION		LS	$7,900.00	1.0	$7,900.00
Subtotal #1 - Direct cost					$910,472.72
570 General Conditions	X	MO	$39,914.35	2.0	$79,828.70
Corporate Overhead (5 % of Direct Cost and GC's)	X	LS	$1.00		$49,515.07
Total Cost					$1,039,816.49
Contractor's Fee (5% of Running Total #2)	X	LS			$51,990.82
Subtotal #2 - Total w/o Bond & Insurance					$1,091,807.32
600 Contractor Contingencies (see estimate for items included)	X	AL	$ 13,261.14	1.0	$13,261.14
Bond (.685%) of Total contract	X	LS			$7,478.88
Insurance (1%) of Total Contract	X	LS			$10,918.07
Running Total #4 - Total w/o Tax					$1,123,465.41
Sales Tax (City of Chandler)7.8% of 65% or 5.07%	X	LS			$56,959.70
Running Total #6 - TOTAL GMP ESTIMATE (w/ Contingency)					$1,180,425.11

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 **Riggs Road Improvements (Gilbert Road to Val Vista Drive) Phase II CITY PROJECT NO. ST0613-402** 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.

_____
PRINCIPAL SEAL

_____
AGENT OF RECORD

By _____

_____
SURETY SEAL

_____
AGENT ADDRESS

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 Riggs Road Improvements (Gilbert Road to Val Vista Drive) Phase II **CITY PROJECT NO.: ST0613-402** 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.

_____
PRINCIPAL SEAL

_____
AGENT OF RECORD

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: Riggs Road Improvements (Gilbert Road to Val Vista Drive) Phase II

PROJECT NUMBER: ST0613-402

Please attach current certificate per Article 6.9 General Conditions.

CITY OF CHANDLER, ARIZONA
DEPARTMENT OF PUBLIC WORKS

CONTRACTOR'S AFFIDAVIT REGARDING SETTLEMENT OF CLAIMS

_____, Arizona

Date _____

Project Name: **Riggs Road Improvements (Gilbert Road to Val Vista Drive) Phase II**
Project No.: **ST0613-402**

To the City of Chandler, Arizona

Gentlemen:

This is to certify that all lawful claims for materials, rental of equipment and labor used in connection with the construction of the above project, whether by subcontractor or claimant in person, have been duly discharged.

The undersigned, for the consideration of $_____, as set out in the final pay estimate, as full and complete payment under the terms of the contract, hereby waives and relinquishes any and all further claims or right of lien under, in connection with, or as a result of the above described project. The undersigned further agrees to indemnify and save harmless the City of Chandler against any and all liens, claims or liens, suits, actions, damages, charges and expenses whatsoever, which said City may suffer arising out of the failure of the undersigned to pay for all labor performances and materials furnished for the performance of said installation.

Signed and dated at _____, this _____ day of _____ 20_____.

_____
CONTRACTOR

By _____

STATE OF ARIZONA)
) SS
COUNTY OF MARICOPA)

The foregoing instrument was subscribed and sworn to before me this _____ day of _____ 20 _____.

_____
Notary Public

_____
My Commission Expires

CITY OF CHANDLER, ARIZONA
PUBLIC WORKS DEPARTMENT

CERTIFICATE OF COMPLETION

Project Name: **Riggs Road Improvements (Gilbert Road to Val Vista Drive) Phase II**
Project No.: **ST0613-402**

(TO BE COMPLETED BY CONTRACTOR)

I HEREBY CERTIFY THAT ALL GOODS AND/OR SERVICES REQUIRED BY CITY OF CHANDLER PROJECT NO. ST0613-402 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)

_____ DATE: _____
(Title)

CERTIFIED BY ENGINEER/CONSULTANT:

_____ DATE: _____
(Signature)

_____
(Firm Name)

PROJECT ACCEPTED BY USER DEPARTMENT

_____ DATE: _____
(Signature)

_____
(Dept./Div.)

_____ Date of Final Walk-Through

_____ Date As-Built Received

_____ City As-Built Number

City of Chandler
GENERAL CONDITIONS