

AUG 13 2009



**MEMORANDUM PUBLIC WORKS MEMO PWE10-002**

**DATE:** AUGUST 13, 2009

**TO:** MAYOR AND COUNCIL

**THRU:** W. MARK PENTZ, CITY MANAGER  
ROBERT ZEDER, PUBLIC WORKS DIRECTOR  
DANIEL W. COOK, DEPUTY PUBLIC WORKS DIRECTOR

**FROM:** SHEINA HUGHES, ASSISTANT PUBLIC WORKS DIRECTOR/  
CITY ENGINEER

**SUBJECT:** Inquiry on Items 31 through 35 – Contracting mechanism used by SRP for Utility Contracts for relocations associated with City Roadway Projects

For a number of years, SRP has used both their own crews and contracted crews to perform work associated with City utility relocation for roadway projects. SRP has a number of contracting methods that they use, but all of the methods are based on pre-qualified contractors performing the work.

Recently, SRP has significantly reduced their use of outside contractors and are self-performing these projects. When staff reviewed the scope and timing of these projects with SRP, they indicated that they will be using their own crews to complete this work.



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA  
Memo No. CA10-010**

**1. Agenda Item Number:** 34  
**2. Council Meeting Date:** August 13, 2009

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** July 10, 2009

**THROUGH: CITY MANAGER**

**4. Requesting Department:** Public Works

**5. SUBJECT:** Approval of Contract Amendment No. 1 to Salt River Project for the Chandler Boulevard and Dobson Road Intersection Improvements, Project No. ST0503-301, in an amount not to exceed \$43,116, for a revised contract total of \$293,116.

**6. RECOMMENDATION:** Staff recommends that Council approve Contract Amendment No. 1 to Salt River Project for the Chandler Boulevard and Dobson Road Intersection Improvements, Project No. ST0503-301, in an amount not to exceed \$43,116, for a revised contract total of \$293,116.

**7. BACKGROUND/DISCUSSION:** The Chandler Boulevard and Dobson Road Intersection Improvement project consists of designing and constructing three through lanes in each direction with dual left turn lanes, right turn lanes, queue jumper bus lanes on Chandler Boulevard, bus bays, bike lanes, new traffic signals, landscape medians, street lights, new curb, gutter, and sidewalk.

Salt River Project must remove nine existing Salt River Project poles and install nine new Salt River Project transmission poles to accommodate the Chandler Boulevard and Dobson Road Intersection Improvements.

**8. EVALUATION:** On January 25, 2007, Council approved a design and construction contract with Salt River Project for transmission relocations to accommodate the Chandler Boulevard and Dobson Road Intersection Improvements. Additional fees have been incurred due to material and labor price escalation by Salt River Project.

**9. FINANCIAL IMPLICATIONS:**

Original Contract Amount:	\$250,000
Contract Amendment No. 1:	\$ 43,116
Revised Contract Amount:	\$293,116

**Fund Source:**

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
411.3310.0000.6517.7ST314	GO Bonds	Dobson Rd/Chandler Blvd Intersection	FY06/07	\$ 43,116

**10. PROPOSED MOTION:** Move that Council approve Contract Amendment No. 1 to Salt River Project for the Chandler Boulevard and Dobson Road Intersection Improvements, Project No. ST0503-301, in an amount not to exceed \$43,116, for a revised contract total of \$293,116, and authorize the Mayor to sign the contract documents.

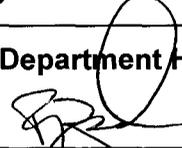
**ATTACHMENTS:** Location Map, Contract Amendment

**APPROVALS**

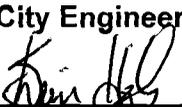
**11. Requesting Department**

  
Daniel W. Cook, Deputy Public Works Director

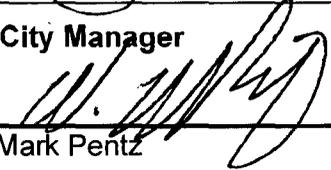
**13. Department Head**

  
R.J. Zeder, Public Works Director

**12. City Engineer**

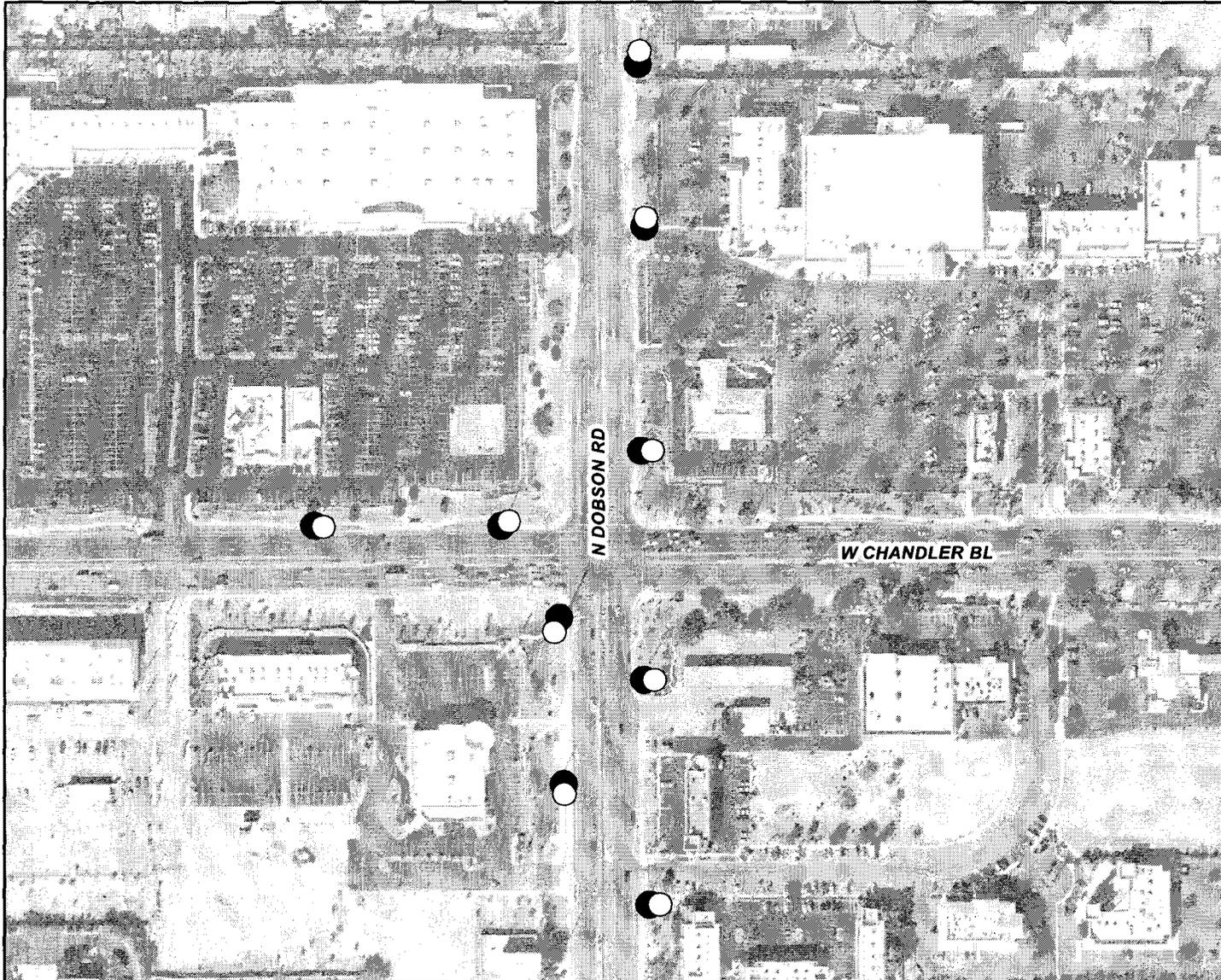
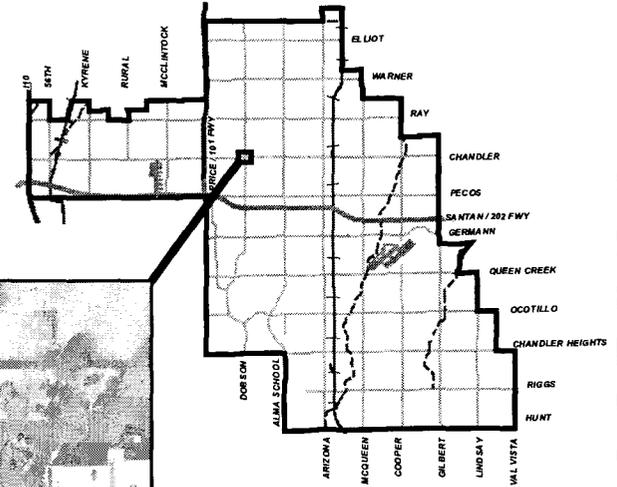
  
Sheina Hughes, Assistant Public Works Director/City Engineer

**14. City Manager**

  
W. Mark Pentz



# CHANDLER BL AND DOBSON RD IMP. TRANSMISSION POLE RELOCATION ST0503-301



**MEMO NO. CA10-010**

- NEW POLE (9)
- REMOVE POLE (9)





Transmission Line Design and Construction Contract

Transmission Line Design
XCT315
P.O. Box 52025
Phoenix, AZ 85072-2025

Expeditor: (602) 236-0841
Design Fax: (602) 236-8073
Date: 03/13/09
File: XA3-3694.06
Ref: SDCE0-259

To: Ms. Lori Greco, City Of Chandler
Development Project Coordinator
P. O. Box 4008 Mail Station 410
Chandler, Arizona 85244-4008
Fax: (480) 782-3355

Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona, (SRP) and the City of Chandler (Customer) enter into this contract for the design and construction of electrical facilities for the following.

Customer Project: Chandler Blvd/Dobson Rd Intersection 69KV Pole Relocation SRP Job Order # XA3-3694

This Contract includes the Terms and Conditions on the back of this page, and describes the general obligations of SRP and the Customer. Any changes, amendments or modifications to this Contract shall be in writing and shall be signed by both parties. Details, including any special conditions, will be provided on the construction drawings and attached exhibits, which shall, upon Customer's acceptance of the design drawings, be incorporated into and become a part of this Contract.

Upon completion of the design services, SRP shall provide to Customer a set of design drawings for the Project. If Customer desires SRP to proceed with construction of the Project in accordance with the design drawings, Customer shall pay SRP the following design and construction fee:

Table with 2 columns: Description and Costs. Row 1: XA3-3694; 7-69KV Pole Relocation Design Fee Amount Paid. Row 2: Costs \$ 293,116.00. Row 3: Total Due: \$ 293,116.00.

SRP shall not be required to perform inspections or begin any construction or installation work on the Project until Customer (i) accepts the design drawings by signing them, (ii) pays SRP the construction fee, and (iii) provides to SRP a copy of a deed or deeds evidencing ownership of all of the real property that is encompassed within or will be affected by the Project (the "Real Property").

SRP's delivery of this Contract to Customer constitutes an offer to perform the design and construction services on the terms and conditions set forth in this Contract. Customer may accept this offer by signing this Contract (with no additions, deletions or modifications) and returning it to SRP with the design fee (in cash or other immediately available funds).

If Customer changes the Project or if there is any change to the information regarding the Project provided by Customer and relied upon by SRP, SRP will charge Customer and Customer shall pay for any additional costs incurred by SRP, including but not limited to design and engineering costs.

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

ACCEPTED: Customer Signature Date

Handwritten signature of Frank J Lamphere dated 3-13-09

Frank J Lamphere, Manager Transmission Line Design

FOR: \_\_\_\_\_

Phone 602.236.8080

APPROVED AS TO FORM

CITY ATTORNEY GAB

1. The existing applicable SRP Rules and Regulations, as they may be amended or revised from time to time by SRP, and all terms and conditions thereof, are adopted and incorporated herein by reference as part of this Contract except as specifically modified herein. The Rules and Regulations can be found at <http://www.srpnet.com> and are on file at the principal offices of SRP.
2. SRP shall construct all electric facilities up to the point(s) of delivery, including any connections to electric, in accordance with the SRP Rules and Regulations and SRP construction specifications and practices.
3. CUSTOMER shall timely provide SRP all drawings and data requested by SRP that are pertinent to the design of the Customer Project. SRP shall review such drawings and data for compatibility with SRP facilities and shall have sole discretion in determining whether the CUSTOMER facilities may be used with SRP's facilities.
4. Customer shall provide SRP all requested easements, including any easements required from third parties, for SRP to access and maintain the electric facilities installed under this Contract, using SRP's standard form(s) of easement. Customer, at all times, shall permit SRP to access and maintain any SRP electric facility on Customer property. Customer understands and agrees that SRP shall have no obligation to provide electric service to the Project unless and until Customer has provided all such easements.
5. CUSTOMER shall require that any construction work performed by CUSTOMER or its contractor or subcontractor shall be in accordance with national and local building and safety codes, the SRP Electric Service Specifications and construction drawings, and the Electric Utility Service Entrance Requirements Committee.
6. CUSTOMER shall secure all required State, County, and local permits and approvals to receive electric service.
7. Unless otherwise agreed in writing by SRP, Customer shall perform, at Customer's sole expense, all trenching, provision and installation of conduit, backfilling and surveying with property pins and grade stakes ("Customer Work"). All Customer Work shall conform to SRP's standards. Customer shall forward all results of survey to SRP for review and approval. Upon Customer's request, SRP may provide survey services for the Project under a separate written agreement.
8. SRP shall not be responsible for, and Customer shall indemnify, defend and hold harmless SRP and members of its governing bodies, its officers, agents and employees, for, from and against any and all claims, demands, suits, costs of defense, attorneys' fees, witness fees of any type, losses, damages, expenses and liabilities ("Claims") arising out of or relating to Customer's performance of the Customer Work, including without limitation Claims arising out of the performance of Customer Work on property not owned by Customer.
9. Prior to SRP's installing any electric facility, the CUSTOMER shall install all water and sewer facilities and backfill. CUSTOMER shall not install any curb, sidewalk, paving, or any conflicting foundation within the development boundaries until SRP completes the installation of the electric facilities.
10. CUSTOMER shall permit SRP to inspect, at any time, any CUSTOMER provided facility. Any inspection by SRP shall not be deemed an approval of any CUSTOMER provided facility or a waiver by SRP of any right to enforce strict compliance with the terms and conditions of this Contract.
11. CUSTOMER, upon demand, shall reimburse SRP for the costs of relocation of facilities found to be installed at the wrong location or grade due to CUSTOMER requested changes in property lines, easement grade, and/or errors in staking, trenching, or survey.
12. CUSTOMER shall indemnify, defend, and hold harmless SRP, the members of its governing bodies, and its directors, officers, employees, agents and contractors for, from and against any loss, damage, liability, cost, or expense incurred by SRP, members of its governing bodies, directors, officers, employees, agents or contractors arising out of any act or omission of CUSTOMER, or its directors, officers, employees, agents, contractors, or subcontractors. CUSTOMER's obligation under this section shall extend to defend SRP when SRP, or members of its governing bodies, directors, officers, employees, agents or contractors are allegedly concurrently negligent with CUSTOMER, its directors, officers, employees, agents, contractors, or subcontractors, but shall not extend to any liability caused by the sole negligence of SRP. CUSTOMER shall release SRP from any loss, damage, liability, cost, or expense incurred by CUSTOMER arising out of (i) any delay by SRP in performing, completing, or inspecting any work or (ii) any loss or damage to any installation prohibited by Section 9 caused by the negligent act or omission of SRP.
13. This Contract shall be interpreted, governed by and construed in accordance with the substantive and procedural laws of the State of Arizona, without regard to conflicts of law principles. SRP and CUSTOMER agree that any action, suit, or proceeding arising out of or relating to this Contract shall be initiated and prosecuted in a state or federal court of competent jurisdiction located in Maricopa County, Arizona, and the parties irrevocably submit to the jurisdiction and venue of such court. To the fullest extent permitted by law, SRP and CUSTOMER hereby irrevocably waive any and all rights to a trial by jury and covenant and agree that neither will request a trial by jury, with respect to any legal proceeding arising out of or relating to this Contract.
14. The title to all work performed by SRP, or performed by CUSTOMER at SRP's request and accepted by SRP, shall remain with SRP at all times.