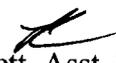




COUNCIL DECISION REQUEST

SUBJECT: C. C. Cragin Treated Water Line A Construction Oversight

MEETING DATE: 5-21-15

SUBMITTED BY: LaRon Garrett, Asst. Town Mgr. 

SUBMITTAL TO AGENDA
APPROVED BY TOWN MANAGER

AMOUNT BUDGETED: \$11,800,000

EXPENDITURE REQUIRED: \$158,450.00



EXHIBITS (If Applicable, To Be Attached): Contract with Scope of Services

POSSIBLE MOTION

I move to approve the hourly rate contract with Tetra Tech, Inc. for Construction Oversight Services for C. C. Cragin Treated Water Line A on a Time and Material basis with an estimated fee of One Hundred Fifty Eight Thousand, Four Hundred Fifty Dollars (\$158,450) and authorize the Town Manager to sign all necessary contract documents.

SUMMARY OF THE BASIS FOR POSSIBLE MOTION:

Construction is anticipated to begin on the C. C. Cragin Line A water line project in June, 2015. The Public Works Department does not have adequate staff to provide the necessary field representation needed on this project and still perform their normal duties. Therefore, Tetra Tech, Inc was requested to provide a proposal to perform these construction oversight functions. Tetra Tech was selected for this phase of the project because they are the firm that designed this water line and they are intimately familiar with how it need to be constructed. The same personnel that worked on the design will also be in the field representing the Town with the contractors.

The proposed contract is at an hourly rate with an estimated total amount based on the anticipated time and effort to be expended by Tetra Tech for the construction period of 180 days. Services to be performed by Tetra Tech include Pre Construction Meetings, Construction Oversight Services, As-Built Plans, and Post-Construction Services. The estimated fee for these services is estimated to be \$158,450. A copy of the Contract, Scope of Services and Hourly Fee Schedule is attached.

PROS:

This will provide professional oversight of the contractors in the field to ensure an excellent construction product.

CONS:

None

MAY 21 2015 I.3



COUNCIL DECISION REQUEST

FUNDING:

Acct: 662-5-5451-00-8600C28 Budget: Available:

Expense:

Remaining:

Acct: Budget: Available:

Expense:

Remaining:

Acct: Budget: Available:

Expense:

Remaining:

FM: _____ Date: _____

**C. C. CRAGIN LINE 'A' CONSTRUCTION ADMINISTRATION
CONTRACT BETWEEN
TETRA TECH, INC.
AND THE TOWN OF PAYSON**

1. **Parties.** The parties to this Contract are Tetra Tech, Inc., a Delaware Corporation authorized to do business within the State of Arizona ("Consultant"), and the Town of Payson, an Arizona municipal corporation, (Town) (collectively, the "Parties"). The Town and the Consultant agree as follows:

2. **Scope of Services**

2.1 See attached Exhibit 'A' – Scope of Services

2.2 **Extra Services.** Consultant shall provide extra services, not specifically called for in the Scope of Services, upon request or authorization of the Town at a fee to be determined at the time of the request. However, it is the intent that the Scope of Services, with modifications by the Consultant in the Special Provisions, if any, is complete and sufficient to accomplish the purposes of this Contract.

2.4 **Changes.** If the Town has requested modifications or changes in the extent of the Project, the time of performance of the services of Consultant and the compensation shall be adjusted appropriately and shall be incorporated in written amendments to this Contract. Consultant shall perform no modification, changes or additional work, except as and until authorized in writing by the Town to do so.

2.3 **Supplementary Conditions.** Supplementary Conditions, if any, are set forth in Attachment "B."

3. **Effective Date and Term.**

3.1 This Contract shall be effect on the date of the last signature of the Parties and shall terminate on completion of the project.

3.2 The estimated completion date for this project is on or before December 31, 2015.

3.3 **Delays Beyond the Control of the Consultant.** Events beyond the control of the Consultant may occur which may delay the performance of the Scope of Services. In the event of such delay, the Consultant shall notify the Town in writing of the delay and Town shall extend the time of performance appropriately.

4. **Professional Fees and Payment.**

4.1 Fees. Town shall pay Consultant, for the services set forth in Section 2 above, Scope of Services, at an hourly rate per Exhibit 'C' with an estimated fee of One Hundred Fifty Eight Thousand, Four Hundred Fifty Dollars and No/100 (\$158,450.00).

4.2 Payment. Consultant will submit to the Town monthly invoices based on a percentage of work completed along with all reimbursable expenses incurred. The Town will pay the invoice within thirty (30) days of receipt. If the Town fails to pay any invoice within thirty (30) days after receipt, the amount due shall include a charge at the rate of 1.50% per month. In addition, Consultant may suspend services until it has been paid in full all amounts due it for services and expenses. Consultant shall be entitled to actual costs for remobilizing on any work suspended for thirty (30) days or more on account of non-payment or a substantial portion of the fee within the time prescribed in this Contract.

4.3 Reimbursables. Unless otherwise stated in the Scope of Services, charges for out-of-pocket expenses not directly furnished by Consultant will be paid by Town at a rate of 1.10 times the cost of such expense, up to a maximum of Five Hundred Dollars. Costs of printing, binding, copying and deliveries of documents, inspection reports, field notes and record drawings are not reimbursable.

5. **Insurance.** Consultant shall provide and maintain the minimum insurance coverage as follows:

5.1 Workers Compensation Insurance to cover obligations imposed by Federal and State Statutes having jurisdiction of its employees engaged in the performance of the Services, and Employer's Liability insurance with a minimum limit of ONE HUNDRED THOUSAND DOLLARS (\$100,000).

5.2 Comprehensive General Liability insurance with a minimum combined single limit of TWO MILLION DOLLARS (\$2,000,000) each occurrence. The policy shall include coverage for bodily injury liability, property damage liability, personal injury liability (including coverage for contractual and employee acts), and blanket contractual. The policy shall contain a severability of interests provision.

5.3 Comprehensive Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than FIVE HUNDRED THOUSAND DOLLARS (\$500,000) each occurrence with respect to Consultant's vehicles whether owned, hired, or non-owned, assigned to be used in the performance of the services.

5.4 Professional Liability insurance with a minimum limit of ONE MILLION DOLLARS (\$1,000,000.00) per claim.

- 5.5 The policies required by Sections 5.2, 5.3, and 5.4 shall be endorsed to include Town, its officers and employees as additional insureds, and shall stipulate that the insurance afforded for Town, its officers and employees shall be primary insurance and that any insurance carried by Town, its officers or employees shall be excess and not contributory insurance.
- 5.6 Consultant and its insurers providing the required coverages shall waive all rights of subrogation against Town and its officers, employees, and agents.
- 5.7 Prior to commencing Services, Consultant shall furnish Town with Certificates of Insurance as evidence that policies providing the required coverages, conditions, and limits are in full force and effect. Such certificates shall provide that not less than thirty days advance notice of cancellation, termination, or alteration shall be sent directly to Town's representative as identified in Paragraph 15.2.
- 5.8 Town reserves the right to request and receive certified copies of any or all of the above insurance policies and/or endorsements.

6. **Indemnity.**

- 6.1 Consultant shall indemnify, hold harmless and defend the Town of Payson and its agents and employees from all suits and actions, including reasonable attorneys' fees and all costs of litigation and judgment of every name and description against the Town as a result of loss, damage, or injury to person or property by reason of any action or omission by Consultant, its agents, or employees on account of loss of or damage to any property and for injuries to or death of any person by reason of or arising out of any act or omission by Consultant, its employees and agents, or arising out of any defects in the methods, equipment or tools used, or in the manner of carrying on the Services itself, or arising out of workmen's compensation claims, unemployment compensation claims, or unemployment disability compensation claims of employees of Consultant or out of claims under similar such laws.
- 6.2 Consultant shall further indemnify, hold harmless, and defend the Town and all of its employees and agents from any and all suits and actions, including costs of investigation and apprehension of persons involved, attorney's fees and/or litigation expenses, which may be brought or made against or incurred by Town arising out of any dishonest act on the part of Consultant, its employees, agents, representatives, or subcontractors.

7. **Modification.** This Contract may only be amended or modified by a written instrument executed by the Town and the Consultant.
8. **Termination.** This Contract may be terminated by either Party upon thirty (30) days prior written notice. Upon termination, (a) the Town shall pay Consultant all monies

owed under this Contract for all work performed up to the effective date of termination; and (b) all work performed by Consultant up to that time, including but not limited to field information, studies and rough or final drafts of working papers, shall be delivered to the Town.

9. **Taxes.** Consultant shall have exclusive liability for and shall pay all taxes and fees imposed in connection with any part of the Services. Consultant shall hold the Town harmless for these taxes and fees.
10. **Laws and Regulations.** Consultant and its employees shall comply with all applicable laws, ordinances, statutes, rules and regulations, of the United States, State of Arizona, and local governments, including but not limited to those relating to wages, hours, discrimination, and safety (including OSHA).
11. **Dispute Resolution.**
 - 11.1 This Contract shall be governed and construed in accordance with the laws of the State of Arizona.
 - 11.2 With the written consent of the Parties, any dispute, controversy, claim, or cause of action arising out of or related to this Contract may be settled by submission to binding arbitration in accordance with the rules of the American Arbitration Association and the Arizona Uniform Arbitration Act, A.R.S. § 12-1501, et seq. Judgment upon any award rendered by the arbitrator(s), if filed in Arizona Superior Court, shall be filed in the Superior Court of Gila County, Arizona.
 - 11.3 The venue for any such dispute shall be Gila County, Arizona. Both Parties consent in advance to such venue and jurisdiction and waive any right to object that Gila County is an inconvenient or improper forum.
 - 11.4 Neither Party shall be entitled to recover from the other party any of its attorneys' fees, costs, or expert witness fees incurred in any such dispute, controversy, claim, or cause of action. Each party shall bear its own attorneys' fees without contribution from the other party.
12. **Cancellation (A.R.S. §38-511).** This Contract is subject to the provisions of A.R.S. § 38-511 which provides for cancellation of contracts by the municipality for certain conflicts of interest.
13. **Town Business License.** The Consultant shall obtain a Town business license. If the Consultant is exempt from the Town's business licensing requirements, it shall still provide the Town with the items required under Section 110.03(C)-(D) of the Town Code.
14. **Authorized Presence Requirements/Government Procurement (A.R.S. §41-4401).**
 - 14.1 Consultant and any Subconsultant employed by Consultant warrants their compliance with all Federal immigration laws and regulations that relate to their employees and Arizona Revised Statutes Section 23-214(A) (E-Verify Program).

- 14.2 A breach of the warranty under Section 14.1 above shall be deemed a material breach of this Contract and shall be subject to penalties up to and including termination of the Contract.
- 14.3 The Town retains the legal right to inspect the papers of the Consultant or Subconsultant who works on this Contract to ensure that the Consultant or Subconsultant is complying with Section 14.1.

15. **Other Provisions.**

15.1 **Assignment.** Consultant shall not assign or subcontract the Contract or any part without the written consent of Town. The Town may withhold its consent for any or no reason. Any attempted assignment or subcontracting in violation of this Paragraph shall render this Contract void and of no effect.

15.2 **Notices.** All notices, filings, consents, approvals, and other communications under this Contract shall be made, delivered, or served, to:

Town:
Town of Payson
303 North Beeline Highway
Payson, Arizona 85541
Attention: Town Manager

Consultant:
Tetra Tech, Inc.
405 W. Main Street, Ste. B
Payson, Arizona 85541
Attention: Forrest Switzer

or to such other addresses as either Party may from time to time designate in writing and deliver in a like manner. Communication delivered by certified mail shall be deemed delivered forty-eight (48) hours following deposit in the U.S. mail, postage prepaid. Notices delivered personally shall be deemed delivered upon delivery.

- 15.3 **No Partnership.** Consultant is an independent contractor. This Contract shall not create any employment relationship, partnership, joint venture, or other arrangement between the Parties.
- 15.4 **No Third Party Beneficiaries.** No term or provision of this Contract is intended to be for the benefit of any person or entity not a party, and no other person or entity shall have any right or cause of action hereunder.
- 15.5 **Counterparts.** This Contract may be executed in counterparts.
- 15.6 **No Waiver.** No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by the Town of a breach of any of the covenants of this Contract shall be construed as a waiver of any proceeding or succeeding breach of the same or any other covenant or condition of this Contract.
- 15.7 **Non-Appropriation/Non-Receipt.** The Town shall not have any liability for any

future payments of money or expenditures, except for those amounts appropriated, authorized, and administratively allocated for this work. The Town shall not have any liability for payments for which it does not have sufficient revenues for such payments.

- 15.8 **Construction of Contract.** This Contract shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of or against the party drafting this Contract. The parties acknowledge that each has had the opportunity to seek legal counsel in the entry of this Contract.
- 15.9 **Further Documentation.** Each Party agrees in good faith to execute such further documents as may be necessary to carry out the intent of this Contract.
- 15.10 **Time of Essence.** Time is of the essence in this Contract.
- 15.11 **Time Periods.** Except as expressly provided for herein, the time for performance of any obligation or taking any action under this Contract shall be deemed to expire at 5:00 p.m. (Payson time) on the last day of the applicable time period provided. If the time for the performance of any obligation expires on a Saturday, Sunday or legal holiday, the time for performance shall be extended to the next succeeding day which is not a Saturday, Sunday or legal holiday.
- 15.12 **Severability.** If any portion of this Contract is found to be invalid, such finding will not affect the validity of the remainder of this Contract.
- 15.13 **Authority.** The Parties represent that each is fully authorized to execute this Contract by the individual(s) executing below.
- 15.14 **Entire Contract.** This Contract contains the entire agreement between the Parties pertaining to the subject matter. All prior or contemporaneous oral or written agreements concerning the subject matter of this Contract shall have no effect.
- 15.15 **Publicity.** No information relative to the Project shall be released by the Consultant for publication, advertising, or any other purpose without the prior written consent of the Town.
- 15.16 **Ownership and Re-Use of Documents.** All documents prepared during the Scope of Services are the property of the Town, shall be provided to the Town upon request during the Contract, and without request at the conclusion of the Contract. Town will not reuse the documents for any other project without Consultant's written authorization. Pursuant to Arizona's Public Records Act, all documents may be subject to public disclosure.

WHEREFORE, the parties have caused this Contract to be executed by their duly authorized representatives.

Tetra Tech, Inc.

a Delaware Corporation authorized to do business within the State of Arizona

By _____
its _____

_____ Dated

TOWN OF PAYSON,
an Arizona municipal corporation

By _____
its Town Manager

_____ Dated

ATTEST:

Silvia Smith, Town Clerk

APPROVAL AS TO FORM

The Town of Payson Legal Department has reviewed this contract and approved it as to form. When reviewing this contract for form, the Legal Department considers whether the following contract provisions have been addressed:

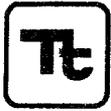
1. Identification of parties to the Contract;
2. Offer and acceptance;
3. Existence of contract consideration but not whether consideration is adequate;
4. Town authority to enter into the transaction;
5. Town Officials signatory authority;
6. That certain provisions specifically required by statute are included as contract terms (i.e., provisions concerning non - availability of funds and conflict of interest, A.R.S. § 38 -511).

The Town of Payson Legal Department has limited the legal review as noted herein. Therefore, approved as to form should not be deemed as approval of the appropriateness of the terms or conditions of the contract or the underlying transaction. In addition, approval as to the form should not be considered approval of the underlying policy considerations addressed by the contract.

APPROVED AS TO FORM

By _____
Hector M. Figueroa, Town Attorney

Date: _____



Professional Services Agreement

Assumed weekly effort:

Forrest Switzer	1.0 hrs. @ \$185.00 =	\$185.00
David Lower	2.0 hrs. @ \$120.00 =	<u>\$240.00</u>

The Weekly As-Built Cost . . . \$425.00

Total Weekly Time & Materials Cost . . . \$5,855.00

Assuming 26 weeks (180 days) T&M Projected Construction Oversight Fee . . . \$152,230.00

C. POST CONSTRUCTION

Tetra Tech will prepare, submit and process the completed project through ADEQ for an Approval of Construction.

Forrest Switzer	12.0 hrs. @ \$185.00 =	\$2,220.00
David Lower	12.0 hrs. @ \$120.00 =	<u>\$1,440.00</u>

Time & Materials Fee . . . \$3,660.00

TOTAL ESTIMATED TIME & MATERIALS \$158,450.00

EXHIBIT 'B'
SUPPLEMENTAL CONDITIONS

NONE



Professional Services Agreement

Schedule of Hourly Rates

Water, Environment & Infrastructure (WEI)

Unit / Region: IMR AZ - Standard Rates

Rates Effective Starting: January 1, 2015

Personnel	Billing Rate
Engineering	
Sr Project Manager	\$230.00
Project Manager 1	\$158.50
Project Manager 2	\$185.00
Project Engineer 1	\$144.00
Project Engineer 2	\$164.50
Engineer 1	\$86.00
Engineer 2	\$97.50
Engineer 3	\$120.00
CAD Technician 1	\$70.00
CAD Technician 2	\$77.00
CAD Technician 3	\$95.00
CAD Designer	\$103.00
Sr CAD Designer 2	\$130.00
Survey	
Surveyor (RLS)	\$150.00
Survey Crew Chief	\$115.00
1-Person Survey Crew	\$115.00
2-Person Survey Crew	\$160.00
3-Person Survey Crew	\$188.00
Field Services	
Construction Project Rep 1	\$75.00
Construction Project Rep 2	\$85.00
Project Support Services	
Project Assistant 1	\$52.50
Sr Project Administrator	\$110.00
Reimbursables	
Any direct cost, such as reproduction, special photography, postage, delivery services, overnight mail, out-of-area telephone calls, printing, and any services performed by subcontractor(s) will be billed at cost plus 10% for handling.	
Mileage - Current GSA mileage rate in effect	