

CITY CLERK
ORIGINAL

C-8813
02/25/2014

PROFESSIONAL SERVICES AGREEMENT
Glendale Citywide Meter Vault Improvements

This Professional Services Agreement ("Agreement") is entered into and effective between CITY OF GLENDALE, an Arizona municipal corporation ("City") and Carollo Engineers, Inc., a Delaware corporation, authorized to do business in the State of Arizona, ("Consultant") as of the 25 day of February, 2014 ("Effective Date").

RECITALS

- A. City intends to undertake a project for the benefit of the public and with public funds that is more fully set forth in **Exhibit A**, Project (the "Project");
- B. City desires to retain the professional services of Consultant to perform certain specific duties and produce the specific work as set forth in the attached **Exhibit B**, Project Scope of Work ("Scope");
- C. Consultant desires to provide City with professional services ("Services") consistent with best consulting or architectural practices and the standards set forth in this Agreement, in order to complete the Project; and
- D. City and Consultant desire to memorialize their agreement with this document.

AGREEMENT

The parties hereby agree as follows:

1. Key Personnel; Other Consultants and Subcontractors.

1.1 Professional Services. Consultant will provide all Services necessary to assure the Project is completed timely and efficiently consistent within Project requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other consultants or contractors, retained by City.

1.2 Project Team.

a. Project Manager.

- (1) Consultant will designate an employee as Project Manager with sufficient training, knowledge, and experience to, in the City's opinion, complete the project and handle all aspects of the Project such that the work produced by Consultant is consistent with applicable standards as detailed in this Agreement; and
- (2) The City must approve the designated Project Manager.

b. Project Team.

- (1) The Project Manager and all other employees assigned to the Project by Consultant will comprise the "Project Team."
- (2) Project Manager will have responsibility for and will supervise all other employees assigned to the Project by Consultant.

c. Discharge, Reassign, Replacement.

- (1) Consultant acknowledges the Project Team is comprised of the same persons and roles for each as may have been identified in **Exhibit A**.
- (2) Consultant will not discharge, reassign, replace or diminish the responsibilities of any of the employees assigned to the Project who have been approved by City without City's prior written consent unless that person leaves the employment of Consultant, in which event the substitute must first be approved in writing by City.

(3) Consultant will change any of the members of the Project Team at the City's request if an employee's performance does not equal or exceed the level of competence that the City may reasonably expect of a person performing those duties, or if the acts or omissions of that person are detrimental to the development of the Project.

d. Subcontractors.

- (1) Consultant may engage specific technical contractors (each a "Subcontractor") to furnish certain service functions.
- (2) Consultant will remain fully responsible for Subcontractor's services.
- (3) Subcontractors must be approved by the City.
- (4) Consultant will certify by letter that all contracts with Subcontractors have been executed incorporating requirements and standards as set forth in this Agreement.

2. **Schedule.** The Services will be undertaken in a manner that ensures the Project is completed timely and efficiently in accordance with the Project.

3. **Consultant's Work.**

3.1 **Standard.** Consultant must perform Services in accordance with the standards of due diligence, care, and quality prevailing among consultants having substantial experience with the successful furnishing of Services for projects that are equivalent in size, scope, quality, and other criteria under the Project and identified in this Agreement.

3.2 **Licensing.** Consultant warrants that:

- a. Consultant and its Subconsultants or Subcontractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of Services ("Approvals"); and
- b. Neither Consultant nor any Subconsultant or Subcontractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").
 - (1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments, or to examine Consultant's contracting ability.
 - (2) Consultant must notify City immediately if any Approvals or Debarment changes during the Agreement's duration. The failure of the Consultant to notify City as required will constitute a material default under the Agreement.

3.3 **Compliance.** Services will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.

3.4 **Coordination; Interaction.**

- a. For projects that the City believes requires the coordination of various professional services, Consultant will work in close consultation with City to proactively interact with any other professionals retained by City on the Project ("Coordinating Project Professionals").
- b. Consultant will meet to review the Project, Schedule and in-progress work with Coordinating Project Professionals and City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and Project completion.
- c. For projects not involving Coordinating Project Professionals, Consultant will proactively interact with any other contractors when directed by City to obtain or disseminate timely information for the proper execution of the Project.

3.5 Work Product.

- a. **Ownership.** Upon receipt of payment for Services furnished, Consultant grants to City, and will cause its Subconsultants or Subcontractors to grant to the City, the exclusive ownership of and all copyrights, if any, to evaluations, reports, drawings, specifications, project manuals, surveys, estimates, reviews, minutes, all "architectural work" as defined in the United States Copyright Act, 17 U.S.C § 101, *et seq.*, and other intellectual work product as may be applicable ("Work Product").
 - (1) This grant is effective whether the Work Product is on paper (e.g., a "hard copy"), in electronic format, or in some other form.
 - (2) Consultant warrants, and agrees to indemnify, hold harmless and defend City for, from and against any claim that any Work Product infringes on third-party proprietary interests.
- b. **Delivery.** Consultant will deliver to City copies of the preliminary and completed Work Product promptly as they are prepared.
- c. **City Use.**
 - (1) City may reuse the Work Product at its sole discretion.
 - (2) In the event the Work Product is used for another project without further consultations with Consultant, the City agrees to indemnify and hold Consultant harmless from any claim arising out of the Work Product.
 - (3) In such case, City will also remove any seal and title block from the Work Product.

4. **Compensation for the Project.**

- 4.1 Compensation. Consultant's compensation for the Project, including those furnished by its Subconsultants or Subcontractors will not exceed \$173,073.00 as specifically detailed in **Exhibit D** ("Compensation").
- 4.2 Change in Scope of Project. The Compensation may be equitably adjusted if the originally contemplated Scope as outlined in the Project is significantly modified.
 - a. Adjustments to Compensation require a written amendment to this Agreement and may require City Council approval.
 - b. Additional services which are outside the Scope of the Project contained in this Agreement may not be performed by the Consultant without prior written authorization from the City.
 - c. Notwithstanding the incorporation of the Exhibits to this Agreement by reference, should any conflict arise between the provisions of this Agreement and the provisions found in the Exhibits and accompanying attachments, the provisions of this Agreement shall take priority and govern the conduct of the parties.
- 4.3 Allowances. An "Allowance" may be identified in **Exhibit D** only for work that is required by the Scope and the value of which cannot reasonably be quantified at the time of this Agreement.
 - a. As stated in Sec. 4.1 above, the Compensation must incorporate all Allowance amounts identified in **Exhibit D** and any unused allowance at the completion of the Project will remain with City.
 - b. Consultant may not add any mark-up for work identified as an Allowance and which is to be performed by a Subconsultant.
 - c. Consultant will not use any portion of an Allowance without prior written authorization from the City.

- d. Examples of Allowance items include, but are not limited to, subsurface pothole investigations, survey, geotechnical investigations, public participation, radio path studies and material testing.

4.4 Expenses. City will reimburse Consultant for certain out-of-pocket expenses necessarily incurred by Consultant in connection with this Agreement, without mark-up (the "Reimbursable Expenses"), including, but not limited to, document reproduction, materials for book preparation, postage, courier and overnight delivery costs incurred with Federal Express or similar carriers, travel and car mileage, subject to the following:

- a. Mileage, airfare, lodging and other travel expenses will be reimbursable only to the extent these would, if incurred, be reimbursed to City of Glendale personnel under its policies and procedures for business travel expense reimbursement made available to Consultant for review prior to the Agreement's execution, and which policies and procedures will be furnished to Consultant;
- b. The Reimbursable Expenses in this section are approved in advance by City in writing; and
- c. The total of all Reimbursable Expenses paid to Consultant in connection with this Agreement will not exceed the "not to exceed" amount identified for Reimbursable Services in the Compensation.

5. **Billings and Payment.**

5.1 Applications.

- a. Consultant will submit monthly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below.
- b. The period covered by each Payment Application will be one calendar month ending on the last day of the month.

5.2 Payment.

- a. After a full and complete Payment Application is received, City will process and remit payment within 30 days.
- b. Payment may be subject to or conditioned upon City's receipt of:
 - (1) Completed work generated by Consultant and its Subconsultants and Subcontractors; and
 - (2) Unconditional waivers and releases on final payment from all Subconsultants and Subcontractors as City may reasonably request to assure the Project will be free of claims arising from required performances under this Agreement.

5.3 Review and Withholding. City's Project Manager will timely review and certify Payment Applications.

- a. If the Payment Application is rejected, the Project Manager will issue a written listing of the items not approved for payment.
- b. City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment.

6. **Termination.**

6.1 For Convenience. City may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than 15 days following the date of delivery.

- a. Consultant will be equitably compensated for Services furnished prior to receipt of the termination notice and for reasonable costs incurred.

- b. Consultant will also be similarly compensated for any approved effort expended, and approved costs incurred, that are directly associated with Project closeout and delivery of the required items to the City.

6.2 For Cause. City may terminate this Agreement for cause if Consultant fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.

- a. Consultant will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Consultant for Services furnished, City will pay the amount due to Consultant, less City's damages, in accordance with the provision of Sec. 5.
- b. If City's direct damages exceed amounts otherwise due to Consultant, Consultant must pay the difference to City immediately upon demand; however, Consultant will not be subject to consequential damages more than \$1,000,000 or the amount of this Agreement, whichever is greater.

7. **Conflict.** Consultant acknowledges this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement.

8. **Insurance.**

8.1 Requirements. Consultant must obtain and maintain the following insurance ("Required Insurance"):

- a. Consultant and Subconsultants and Subcontractors. Consultant, and each Subconsultant or Subcontractor performing work or providing materials related to this Agreement must procure and maintain the insurance coverages described below (collectively referred to herein as the "Consultant's Policies"), until each Party's obligations under this Agreement are completed.
- b. General Liability.
 - (1) Consultant must at all times relevant hereto carry a commercial general liability policy with a combined single limit of at least \$1,000,000.00 per occurrence and \$2,000,000.00 annual aggregate limit.
 - (2) Subconsultants and Subcontractors must at all times relevant hereto carry a general commercial liability policy with a combined single limit of at least \$4,000,000.00 per occurrence.
 - (3) This commercial general liability insurance must include independent contractors' liability, contractual liability, broad form property coverage, XCU hazards if requested by the City, and a separation of insurance provision.
 - (4) These limits may be met through a combination of primary and excess liability coverage.
- c. Professional Liability. Consultant must maintain a professional errors and omissions liability policy providing a minimum limit of \$1,000,000.00 for each claim and a \$2,000,000.00 annual aggregate limit.
- d. Auto. A business auto policy providing a liability limit of at least \$1,000,000.00 per accident for Consultant and \$1,000,000.00 per accident for Subconsultants and Subcontractors and covering owned, non-owned and hired automobiles.
- e. Workers' Compensation and Employer's Liability. Consultant must also maintain a workers' compensation and employer's liability policy providing at least the minimum benefits required by Arizona law.

- f. Notice of Changes. Consultant's Policies must provide for not less than 30 days' advance written notice to City Representative of:
 - (1) Cancellation or termination of Consultant's Policies;
 - (2) Reduction of the coverage limits of any of Consultant's Policies; and
 - (3) Any other material modification of Consultant's Policies related to this Agreement.
- g. Certificates of Insurance.
 - (1) Within 10 business days after the execution of the Agreement, Consultant must deliver to City Representative certificates of insurance for each of Consultant's Policies, which will confirm the existence or issuance of Consultant's Policies in accordance with the provisions of this section, and copies of the endorsements of Consultant's Policies in accordance with the provisions of this section.
 - (2) City is and will be under no obligation either to ascertain or confirm the existence or issuance of Consultant's Policies, or to examine Consultant's Policies, or to inform Consultant, Subconsultant, or Subcontractor in the event that any coverage does not comply with the requirements of this section.
 - (3) Consultant's failure to secure and maintain Consultant's Policies and to assure Consultant's Policies as required will constitute a material default under the Agreement.
- h. Other Contractors or Vendors.
 - (1) Other contractors or vendors that may be contracted with in connection with the Project must procure and maintain insurance coverage as is appropriate to their particular contract.
 - (2) This insurance coverage must comply with the requirements set forth above for Consultant's Policies (e.g., the requirements pertaining to endorsements to name the parties as additional insured parties and certificates of insurance).
- i. Policies. Except with respect to workers' compensation and Consultant's professional liability coverages, City must be named and properly endorsed as additional insureds on all liability policies required by this section.
 - (1) The coverage extended to additional insureds must be primary and must not contribute with any insurance or self insurance policies or programs maintained by the additional insureds.
 - (2) All insurance policies obtained pursuant to this section must be with companies legally authorized to do business in the State of Arizona and reasonably acceptable to all parties.

8.2 Subconsultants and Subcontractors.

- a. Consultant must also cause its Subconsultants and Subcontractors to obtain and maintain the Required Insurance.
- b. City may consider waiving these insurance requirements for a specific Subconsultant or Subcontractor if City is satisfied the amounts required are not commercially available to the Subconsultant or Subcontractor and the insurance the Subconsultant or Subcontractor does have is appropriate for the Subconsultant or Subcontractor's work under this Agreement.
- c. Consultant and Subcontractors must provide to the City proof of the Required Insurance whenever requested.

8.3 Indemnification.

- a. To the fullest extent permitted by law, Consultant must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties") for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense" collectively "Demands or Expenses") asserted by a third-party (i.e. a person or entity other than City or Consultant) and that arises out of or results from the breach of this Agreement by the Consultant or the Consultant's negligent actions, errors or omissions (including any Subconsultant or Subcontractor or other person or firm employed by Consultant), whether sustained before or after completion of the Project.
- b. This indemnity and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Consultant will be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Consultant or of any person or entity for whom Consultant is responsible.
- c. Consultant is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.

9. Immigration Law Compliance.

- 9.1 Consultant, and on behalf of any Subconsultant or Subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- 9.2 Any breach of warranty under this section is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.
- 9.3 City retains the legal right to inspect the papers of any Consultant, Subconsultant, or Subcontractor employee who performs work under this Agreement to ensure that the Consultant, Subconsultant or any Subcontractor is compliant with the warranty under this section.
- 9.4 City may conduct random inspections, and upon request of City, Consultant will provide copies of papers and records of Consultant demonstrating continued compliance with the warranty under this section. Consultant agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this section.
- 9.5 Consultant agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon Consultant and expressly accrue those obligations directly to the benefit of the City. Consultant also agrees to require any Subconsultant or Subcontractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City.
- 9.6 Consultant's warranty and obligations under this section to the City is continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.
- 9.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

10. **Prohibitions.** Consultant certifies under A.R.S. §§ 35-391 *et seq.* and 35-393 *et seq.*, that it does not have, and during the term of this Agreement will not have, "scrutinized" business operations, as defined in the preceding statutory sections, in the countries of Sudan or Iran.

11. **Notices.**

11.1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if:

- a. The Notice is in writing; and
- b. Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested).
- c. Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if:
 - (1) Received on a business day before 5:00 p.m. at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service; or
 - (2) As of the next business day after receipt, if received after 5:00 p.m.
- d. The burden of proof of the place and time of delivery is upon the Party giving the Notice.
- e. Digitalized signatures and copies of signatures will have the same effect as original signatures.

11.2 Representatives.

- a. Consultant. Consultant's representative (the "Consultant's Representative") authorized to act on Consultant's behalf with respect to the Project, and his or her address for Notice delivery is:

Brian Bernard, P.E., MBA
Carollo Engineers, Inc.
4600 East Washington Street, Suite 500
Phoenix, Arizona 85034

- b. City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:

City of Glendale
c/o Mike Johnson
5850 West Glendale Avenue, Suite 315
Glendale, Arizona 85301

With required copy to:

City Manager	City Attorney
City of Glendale	City of Glendale
5850 West Glendale Avenue	5850 West Glendale Avenue
Glendale, Arizona 85301	Glendale, Arizona 85301

- c. Concurrent Notices.
 - (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
 - (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by the City Manager and the City Attorney.

(3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Consultant identifying the designee(s) and their respective addresses for notices.

d. Changes. Consultant or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.

12. **Financing Assignment.** City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project.

13. **Entire Agreement; Survival; Counterparts; Signatures.**

13.1 Integration. This Agreement contains, except as stated below, the entire agreement between City and Consultant and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement.

- a. Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.
- b. Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.
- c. Inconsistencies between the solicitation, any addenda attached to the solicitation, the response or any excerpts attached as **Exhibit A**, and this Agreement, will be resolved by the terms and conditions stated in this Agreement.

13.2 Interpretation.

- a. The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.
- b. The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.
- c. The Agreement will be interpreted in accordance with the laws of the State of Arizona.

13.3 Survival. Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement.

13.4 Amendment. No amendment to this Agreement will be binding unless in writing and executed by the parties. Electronic signature blocks do not constitute execution for purposes of this Agreement. Any amendment may be subject to City Council approval.

13.5 Remedies. All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.

13.6 Severability. If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be reformed to conform with applicable law.

13.7 Counterparts. This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.

14. **Term.** The term of this Agreement commences upon the Effective Date and continues for a one and one half years initial period. The City may, at its option and with the approval of the Consultant, extend the term of this Agreement an additional one year. Consultant will be notified in writing by the City of its intent to extend the Agreement period at least 30 calendar days prior to the expiration of the original or any

renewal Agreement period. Price adjustments will only be reviewed during the Agreement renewal period and will be a determining factor for renewal. There are no automatic renewals of this Agreement.

- 15. **Dispute Resolution.** Each claim, controversy and dispute (each a "Dispute") between Consultant and City will be resolved in accordance with **Exhibit E**. The final determination will be made by the City.
- 16. **Exhibits.** The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.

Exhibit A	Project
Exhibit B	Scope of Work
Exhibit C	Schedule
Exhibit D	Compensation
Exhibit E	Dispute Resolution

The parties enter into this Agreement effective as of the date shown above.

City of Glendale,
an Arizona municipal corporation



By: Brenda S. Fischer
Its: City Manager

ATTEST:



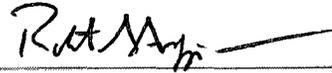
Pam Hanna, City Clerk (SEAI)

APPROVED AS TO FORM:



Michael D. Bailey, City Attorney

Carollo Engineers, Inc.,
a Delaware corporation



By: Robert A. Ardizzone
Its: Vice President



By: David C. Sobeck
Its: Senior Vice President

EXHIBIT A
Professional Services Agreement

PROJECT

(Cover Page)

The City of Glendale (City) has been experiencing a number of issues with aging infrastructure with meter vaults and equipment within their water distribution system. The City contacted Carollo Engineers Inc., (Carollo) to design and provide construction administration and inspection (CA&I) services on improvements for the meter vaults based on a City Water Department assessment of the facilities. The overall City-Wide Meter Vault Improvement project includes 123 meter vaults that have been prioritized into three categories (Priority 1, Priority 2, and Priority 3) based on the urgency for the required improvements. The City has asked Carollo to complete the project under a three-phase approach that aligns with the prioritized rankings. The first phase of the project (Phase I) will include the 38 meter vaults that were identified as Priority 1 and generally includes the efforts to:

- Collect existing site information and photographs for the 38 “Priority 1” meter vault locations. Collect record drawings, maintenance or repair records, front-end bid documents, specifications, General Notes, details, and other necessary information to assist with the design process.
- Development of a 30% Design Submittal outlining the design concepts that will be developed for the Priority 1 recommended improvements.
- Develop an Opinion of Probable Cost for the Recommended Improvements at 30% Design milestone.
- Development of final Design Documents (90% Design and Final Design) and Specifications to allow the City to solicit construction bids for the recommended improvements.
- Develop an Opinion of Probable Cost for the Recommended Improvements at the Final Design milestone.
- Engineering Services during the Bid Phase
- CA&I Services during the construction and project closeout phase

EXHIBIT B
Professional Services Agreement

SCOPE OF WORK

(Cover Page)

**CAROLLO ENGINEERS SCOPE OF PROFESSIONAL ENGINEERING SERVICES
CITY OF GLENDALE, ARIZONA
CITY-WIDE METER VAULT IMPROVEMENTS – PHASE I
EXHIBIT B - DESIGN ENGINEERING SERVICES
JULY 12, 2013**

SECTION I – PROJECT DESCRIPTION

Through the utilization of a qualified Consultant (Carollo), working with city staff, the City of Glendale (City) is intent on developing and implementing design and construction documents for this project that will result in a “turnkey” product that meets the city’s service needs and the budget of the project. The development of a project construction cost estimate will be a requirement for the project. The project construction cost estimate will include all costs for construction of on-site improvements that will result in the “turnkey” product.

The City has been experiencing a number of issues with aging infrastructure with meter vaults and equipment within their water distribution system. The City contacted Carollo to design improvements for the meter vaults based on a City Water Department assessment of the facilities. The overall City-Wide Meter Vault Improvement project includes 123 meter vaults that have been prioritized into three categories (Priority 1, Priority 2, and Priority 3) based on the urgency for the required improvements. The City has asked Carollo to complete the project under a three-phase approach that aligns with the prioritized rankings. The first phase of the project (Phase I) will include the 38 meter vaults that were identified as Priority 1 and generally includes the efforts to:

- Collect existing site information and photographs for the 38 “Priority 1” meter vault locations. Collect record drawings, maintenance or repair records, front-end bid documents, specifications, General Notes, details, and other necessary information to assist with the design process.
- Development of a 30% Design Submittal outlining the design concepts that will be developed for the Priority 1 recommended improvements.
- Develop an Opinion of Probable Cost for the Recommended Improvements at 30% Design milestone.
- Development of final Design Documents (90% Design and Final Design) and Specifications to allow the City to solicit construction bids for the recommended improvements.
- Develop an Opinion of Probable Cost for the Recommended Improvements at the Final Design milestone.
- Engineering Services during the Bid Phase

The following DRAFT Scope of Services describes Carollo’s professional services associated with Phase I of the City of Glendale, Arizona City-Wide Meter Vault Improvement project. There are no Phase II or Phase III efforts included in the Scope of Services or Fee Proposal. The DRAFT Scope of Service addresses the facility components associated with the existing water meter vaults at 38 identified Priority 1 locations only. The following project tasks detail the DRAFT Scope of Services for Phase I of the City-Wide Meter Vault Improvement project.

SECTION II - PROJECT ASSUMPTIONS

- City will provide to Carollo, as available, all relevant information that will aid in the progress of the project. This includes, but is not limited to, Technological Reports, Geotechnical Reports, Topographical Surveys, Property Legal Descriptions, Record Drawings, historical and current flow data.
- Carollo will proceed with the Detailed Design under the assumption that the project budget will support the design and construction of Phase I of the City-Wide Meter Vault Improvement project.
- The Carollo Phase I Scope of Services and Fee Proposal are based on the Exhibit C – Drawing List. The Scope of Services and Fee Proposal do not include additional design drawings or level of effort beyond that indicated in Exhibit C. Additional design effort, as indicated by the increase in the number of design drawings, by the City or due to agency review, is outside the scope of services of the project. If the City requests that Carollo develop additional drawings, a contract amendment will be negotiated for those services.

- A Maricopa County (MCESD) Approval to Construct (ATC), Approval of Construction (AOC), Engineer's Certificate of Completion, and installation testing documentation will not be required for the project. If MCESD ATC/AOC is required for the project, the scope of work and compensation for those services will be negotiated at that time.
- Carollo will not perform aerial mapping as part of this scope of services. If aerial mapping is required for the project, the City will provide Carollo with the newest and most accurate renditions available at the time of NTP.
- Carollo will not perform site topographical surveys of any meter vault sites for this Scope of Services.
- Existing survey information and aerial mapping will be used to establish facility dimensions, elevations and site contours if necessary. Record drawings will be utilized to establish horizontal locations and vertical elevations of existing facilities. The Scope of Services will not include establishing the location of property lines based on existing legal descriptions and available survey reviews. No permanent horizontal and vertical control benchmarks will be established.
- Carollo has prepared this Scope of Services based on the understanding that the basis of design for the project will be agreed to, and finalized, following completion and acceptance of the basis of design (30% Design submittal) by the City staff.
- This project will be delivered using the traditional delivery method of Design-Bid-Build. No construction administration and inspection services for Carollo are included in this Scope of Services or Fee Proposal.
- Carollo has based the Scope of Services on submitting all deliverables in MS Word, MS Excel and AutoCAD formats.
- Public involvement services will be contracted directly with the City and are not a part of this contract.
- Carollo will be responsible to the level of competency and standard of care deemed reasonable by competent Engineering companies performing the same or similar type work. Carollo and the City mutually agree that standard of care, as applied to design professional, will be defined as the ordinary and reasonable care required and established by expert testimony of what a reasonable and prudent professional would have done under the same or similar circumstances.
- Carollo has not included an allowance for a Task 600 – Allowance Services contingency. No compensation has been added for unforeseen or undefined circumstances and those efforts will be negotiated at the time of occurrence if necessary.
- The City will be responsible for all permit application fees if applicable.

SECTION III - SCOPE OF WORK

The following information is a description of the scope of work that the City expects Carollo to perform for this project. The services listed in this scope of work may include, but are not limited to, the following:

TASK 100 - PROJECT ADMINISTRATION AND MANAGEMENT SERVICES

Carollo will manage and control professional services to provide efficient completion of the project. For the DRAFT Scope of Services we have assumed an eight (8) month engineering and bid services period for Phase I of the project.

Task 101 Meetings

Description: Carollo will hold and facilitate monthly project meetings (or as necessary) to maintain the project budget and schedule; setting agendas and preparing and distributing meeting minutes. Meetings under the design services will include:

- (1) Carollo will hold and facilitate a Project Kick-Off meeting to establish the project schedule, introduce the project team, discuss design deadlines, establish initial design criteria, and hold a general discussion about the project objectives with the City. Carollo will set a meeting agenda, prepare, and distribute meeting minutes.
- (2) Carollo will hold an initial project meeting with the City Water Services Department to discuss Carollo's site investigation findings. In instances where unforeseen circumstances have caused Carollo's site investigation findings to differ from the City's description of work, Carollo will collect review comments for implementation into a revised Scope of Services and Detailed Design.
- (3) Carollo will hold and facilitate eight (8) monthly project meetings (or as necessary) to maintain the project budget, schedule, and discuss work complete and work planned. Carollo will set meeting agendas and prepare and distribute meeting minutes.

Task 102 - Project Control and Reporting

Description: Carollo will provide monthly progress reports, invoices, and an updated project schedule throughout the eight (8) month duration of the project as follows:

Monthly Progress Reports: Carollo will submit a written monthly progress report to the City and Project Team during the entire design period of the project. The monthly progress reports will identify the following; work completed since the previous report, project status, including scheduled and actual percent completion for the major tasks, dates of anticipated milestones, deliverables in the upcoming month.

Monthly Invoices: Carollo will submit monthly project billings for the duration of the project. The City will provide the format for invoices. Project invoices (along with progress reports) will be delivered to the City's Project Manager no later than the 30th day of the month. The invoices will be consistent with the project tasks, project schedule, fee proposal, and projected billings. The invoice will identify the contract number and include the amount of each work task completed as identified in the approved fee proposal. The percent complete shall be determined using the project schedule, tasks, and fee proposal per tasks. The total invoice submitted shall be less than or equal to the report that details the task percent complete with the associated cost. The invoice will show the amounts previously billed, the amount due for the current period, the project balance and the percent complete per tasks.

Carollo will submit one hard copy invoice to the City Project Manager, City of Glendale Engineering Department, 5850 West Glendale Avenue, Glendale, Arizona 85301.

Project Schedule: Carollo will prepare and maintain a project schedule after meeting with the designated City project manager (referred to as "Project Manager") to determine appropriate submittal deadlines and to coordinate project submissions. Carollo will prepare a significant event calendar within fourteen (14) days of the Notice to Proceed (NTP). The initial schedule will show the original start date with initial completion date as a reference. One copy of the original overall schedule with original time line and data dates shall be submitted at the Project Kick-Off meeting. Carollo will update the schedule monthly to keep it current showing comparison with the Baseline/Target schedule. The updated schedule report will be submitted with the monthly invoice.

Deliverables: The deliverables for Task 100 – Project Administration and Management Services include:

- Monthly Project Reports (8)
- Monthly Invoices (8)
- Baseline/Target schedule and monthly updates (8)

TASK 200 – DATA COLLECTION

Description: Carollo will collect existing documentation, reports, and design information (not field data) for the 38 Priority 1 meter vault locations. The Data Collection task will include, collecting record drawings, maintenance or repair records, front-end bid documents, specifications, General Notes, details, and other necessary information to assist with the design process.

Deliverables: There are no expected deliverables for Task 200 – Data Collection.

TASK 300 - PRELIMINARY (30%) DESIGN

NOTE: The Scope of Services for the Preliminary and Detailed Design Phases (Tasks 300 and 400) presented herein are based on a Design-Bid-Build method of project delivery.

Carollo will conduct a series of tasks in preparation of the development of a Preliminary (30%) Design submittal for the City-Wide Meter Vault Improvement project. To the fullest extent possible, the City will provide all available data, reports, information, etc., that could supplement the efforts of the development of the preliminary and detailed designs. The City will provide a single point of contact for returning design review comments to Carollo. The City will provide comments on the proposed design concepts in a timely fashion to facilitate the overall project schedule, including but not limited to concepts, City codes, design criteria, numbering systems, materials, equipment, allowable manufacturers, and/or design features.

After the Preliminary (30%) Design is reviewed and accepted by the City, it shall become the basis for the Detailed Design services performed under Task 400. Any changes made after acceptance of the Preliminary (30%) Design will be added to the Detailed Design services of this contract by amendment at the City's request.

Task 301 - Existing Site Investigation and Assessment (Field Data)

Description: Carollo will perform a site investigation and assessment of the existing conditions at each meter vault location. The existing conditions assessment will include evaluation of pertinent above and below ground equipment, pipe, valves, meters, vaults, and ancillary materials being considered for replacement on the project. Carollo will take photographs of each location for use in the detailed design drawings. Task 301 does not include Scope or Fee for assistance with traffic control, lane closures, traffic shutdowns, traffic detours, police assistance, or any type of traffic diverting effort. If any of these services are required, they will be added to the contract under Task 600 – Allowance Services and negotiated at that time.

Task 302 - Codes and Standards Review

Description: Carollo will attend one (1) pre-review meeting with representatives from the various City Departments including Engineering, Building, and Planning to discuss codes and standards requirements.

Task 303 - Preliminary (30%) Design Submittal

Description: Carollo will develop a 30% Design milestone submittal that is consistent with the criteria established in the Project Kickoff Meeting. The 30% Design submittal will outline the City-Wide Meter Vault Improvement project design concept and submittal format, including conceptual 30% design drawings of the proposed facilities (design improvements). The review of the Preliminary (30%) Design will be held at a Preliminary (30%) Design Review Meeting with the City. An Opinion of Probable Construction Cost will be developed and submitted to the City at the 30% Design milestone. The Preliminary Design phase will be considered complete once the City has approved the submitted design drawings, agrees that the construction cost estimate is within the established project budget, and agrees that Carollo is meeting the submittal dates for the required documents as identified in the updated project schedule.

Deliverables: Preliminary (30%) Design submittal and Preliminary (30%) Design Review Meeting minutes.

Task 304 – Preliminary (30%) Design Submittal Opinion of Probable Cost

Description: An Opinion of Probable Construction Cost will be developed and submitted to the City at the Preliminary (30%) Design milestone.

TASK 400 - DETAILED DESIGN

Description: Carollo will prepare the detailed design documents, after the City approves the Preliminary Design package and construction cost estimate. The detailed design documents will consist of plans, elevations, other drawings, and specifications to fix and illustrate the size and character of the entire project including the kinds of materials; types of structures; mechanical, electrical, computer and telecommunications systems; and such other work as may be appropriate. The detailed design services will include a multi-discipline design approach, as described by the following. Detailed drawings, specifications, and typical details will be developed for each discipline as follows:

Drawings: Design drawings will be two-dimensional (2-D) in AutoCAD format, with content as defined herein. Full-size drawings will be in accordance with the City-approved CAD standards and formats. Electronic copies of drawings will be provided on CD, with interim submittals in PDF format and final submittal in AutoCAD format.

Technical Specifications: Technical specifications will be developed to set the special conditions and technical requirements for construction of the project. Specifications will be based on the 16-Division format of the Construction Specifications Institute (CSI), and developed in Carollo's standard formats. Specifications will be in MS Word format, printed double-sided on 8-1/2-inch by 11-inch paper, and bound into a book. Electronic copies of specifications in both MS Word and PDF file formats will also be provided on CD.

For the basis of this Scope, it was assumed that the front-end specification (Division 0 and 1) requirements are based on the City of Glendale Supplemental General Conditions, which will be supplemented by the Engineers Joint Contract Documents Committee (EJCDC) General Conditions, where appropriate.

Typical Details: Carollo will develop and compile "typical" or "standard" details to supplement the design drawings. Typical details will be based on City or Maricopa Association of Governments (MAG) details, supplemented by Carollo's standard details when necessary. Typical detail callouts on design drawings will be identified by applicable typical detail number.

Task 401 – Detailed Design (90% Submittal) Drawings

Description: Carollo will produce a PDF file and submit the 90% Design drawings to the City for review and comment at the 90% Design Review Meeting. The 90% submittal will be based on the design concepts from the approved Preliminary Design Report. Six (6) sets of the full-size plans and specifications will be for submission to the City of Glendale. Agency review sets will be sealed and stamped with “FOR AGENCY REVIEW ONLY - NOT FOR CONSTRUCTION” or similar note. All applicable departmental review fees will be paid for by the City. For the basis of this Scope of Services, it is assumed that one (1) City Building Department submittal will be required.

Deliverables: 90% Design drawing submittal and 90% Design Review Meeting minutes.

Task 402 – Detailed Design (90% Submittal) Specifications

Description: Carollo will produce a PDF file of the 90% Design Specifications and submit them to the City for review and comment at the 90% Design Review Meeting. Six (6) sets of the specifications will be prepared for submission to the City Building Department for code compliance review. Agency review sets will be sealed and stamped with “FOR AGENCY REVIEW ONLY - NOT FOR CONSTRUCTION” or similar note.

Deliverables: 90% Design Specifications

Task 403 – Detailed Design (Final Submittal) Drawings

Description: For the Final (100%) Design drawings, Carollo will finalize, seal, and submit five (5) copies of all design drawings in the appropriate format within thirty (30) days following receipt of all review comments provided by the City. The Final design drawing submittal will incorporate review comments provided by the City at the 90% submittal Design Review Meeting. Electronic copies of final drawings in AutoCAD format will also be provided on CD.

Deliverables: Final (100%) Design Drawing submittal.

Task 404 – Detailed Design (Final Submittal) Specifications

Description: For the Final (100%) Specifications, Carollo will finalize, seal, and submit five (5) copies of all technical specifications in the appropriate format within thirty (30) days following receipt of all review comments provided by the City. The Final design specification submittal will incorporate comments provided by the City at the 90% submittal review workshop. Electronic copies of technical specifications in MS Word format will also be provided on CD.

Deliverables: Final (100%) Design Specifications.

Task 405 – Detailed Design (Final Submittal) Opinion of Probable Cost

Description: An Opinion of Probable Construction Cost will be developed and submitted to the City at the Final (100%) Design milestone.

Deliverables: Final (100%) Design Opinion of Probable Construction Cost.

The Detailed Design Phase will be considered complete when the City has approved the final submitted plans and specifications, agrees that the cost estimate is within the established Project budget, and agrees that the plans are permit-ready.

TASK 500 – BID PHASE SERVICES

Task 501 – Bid Phase Services (Phase I)

Description: The Phase I Bid Phase Services include; attending and preparing meeting minutes for the pre-bid conference, any other related meetings, and preparing all necessary addenda related to the design documents originated by Carollo, responding to questions regarding the plans and specifications, attendance at the Phase I bid opening conference, and assistance to the City in evaluation of bids received. Carollo will receive, review and make recommendations regarding requests for substitutions, and incorporate these substitution requests into the addenda as required. The Bid Phase will be considered complete when the City has accepted the project construction bid and final construction documents have been received on electronic media. If requested by the City, Carollo will evaluate the submitted bids and provide a recommendation letter.

Deliverables: Carollo will attend, then prepare written responses to any questions from the pre-bid conference, preparation of project addenda (if required), respond to requests for substitutions, attend a bid-opening conference, evaluate submitted bids and provide a recommendation letter if necessary.

TASK 600 – ALLOWANCE SERVICES

Task 601 – Allowance Services (ODC's)

Description: Allowances have been included in the compensation section of the Fee Proposal corresponding to this DRAFT Scope of Services. The Allowances reflect Other Direct Costs (ODCs) such as materials, printing costs, vehicle mileage, and day-to-day minor expenses to perform the Tasks 100 – 500.

Deliverables: There are no anticipated deliverables for Task 601

Task 602 – Contingency

Description: A placeholder compensation amount (\$5,000) has been added to the project for unforeseen or undefined circumstances that arise during the Phase I Detailed Design Services. Carollo cannot start work using Contingency funds without written permission from the City. Contingency efforts will be negotiated at the time of occurrence if necessary

Deliverables: There are no definable deliverables for Task 602

CAROLLO ENGINEERS SCOPE OF PROFESSIONAL ENGINEERING SERVICES

CITY OF GLENDALE, ARIZONA

CITY-WIDE METER VAULT IMPROVEMENTS – PHASE I

EXHIBIT B - CONSTRUCTION ADMINISTRATION AND INSPECTION SERVICES

JULY 12, 2013

BASIC SERVICES – CONSTRUCTION ADMINISTRATION AND INSPECTION (CA&I)

Description: The Phase I CA&I Services will consist of work performed under the following tasks. The CA&I Services for Phase I are estimated to take four (4) months to complete.

Task	100	-	Project Administration and Management Services (CA&I)
Task	700	-	Construction Administration and Inspection
Task	600	-	Allowance Services

TASK 100 - PROJECT ADMINISTRATION AND MANAGEMENT SERVICES (CA&I)

Description: For the Phase I Construction Administration and Inspection Services, Carollo will perform the following project management and monitoring activities through the CA&I portion of the project (Series 600 and 700), as delineated in the following tasks.

Task 101 – Meetings

Carollo will prepare and distribute agendas for each construction update meeting. Agendas will be submitted to the City at least two (2) days before the meeting. Carollo will conduct the meetings and prepare meeting minutes. Attendance at construction update meetings by Carollo will be by Carollo's Inspector for the project.

Carollo will attend the following meetings with City representatives during the construction portion of Phase I of the project:

- Pre-construction Meeting (1)
- System Shutdown Plan Development and Review Meeting (1)
- Construction Update Meetings (3) – Carollo’s Inspector only

Task 102 - Project Control and Reporting

Description: Carollo will provide monthly progress reports and invoices throughout the four (4) month duration of the CA&I services as follows:

Monthly Progress Reports: Carollo will submit a written monthly progress report to the City and Project Team during the entire CA&I period of the project. The monthly progress reports will identify the following; work completed since the previous report, project status, including scheduled and actual percent completion for the major tasks, dates of anticipated milestones, deliverables in the upcoming month.

Monthly Invoices: Carollo will submit monthly project billings for the duration of the CA&I portion of the project. The City will provide the format for invoices. Project invoices (along with progress reports) will be delivered to the City’s Project Manager no later than the 30th day of the month. The invoices will be consistent with the project tasks, project schedule, fee proposal, and projected billings. The invoice will identify the contract number and include the amount of each work task completed as identified in the approved fee proposal. The percent complete shall be determined using the project schedule, tasks, and fee proposal per tasks. The total invoice submitted shall be less than or equal to the report that details the task percent complete with the associated cost. The invoice will show the amounts previously billed, the amount due for the current period, the project balance and the percent complete per tasks. Carollo will submit one hard copy invoice to the City Project Manager, City of Glendale Engineering Department, 5850 West Glendale Avenue, Glendale, Arizona 85301

Deliverables: The deliverables for Task 100 – Project Administration and Management Services (CA&I) during Phase I include:

- Monthly Project Reports (4)
- Monthly Invoices (4)

TASK 700 - CONSTRUCTION ADMINISTRATION

701 – Construction Administration Services

702 – Construction Inspection Services

703 – Substantial and Final Completion Inspection

704 – Construction Drawings of Record

The following section of the scope of services describes the professional services associated with the Construction Administration and Inspection effort for Phase I of the City of Glendale, Arizona City-Wide Meter Vault Improvement project. The scope of services is based on the City's anticipated utilization of the Design-Bid-Build project delivery methodology.

Task 701 – Construction Administration Services

The Construction Administration and Inspection services for Phase I as defined herein, were based on the following assumptions:

1. The anticipated construction period will be a total of four (4) months for the City of Glendale City-Wide Metering Vault Improvements project. from Contractor Notice to Proceed.
2. Carollo will not furnish a full-time, on-site, Inspector. Carollo will provide periodic visits to the construction sites to observe the general quality of construction only. It is anticipated that Carollo will spend one-half day (4 hours) at each meter vault location when work begins, then spend one-half day (4 hours) at each site once the work is completed and ready to be buried (closed up).

701.1 Response to RFIs

Description: Carollo will render interpretation and clarification responses necessary for the proper execution or progress of the work on written request of the City and submit written responses to the City's representative accordingly. Responses will be provided within seven (7) working days upon receipt by Carollo, or as agreed to by the City. Carollo will render all interpretations or decisions in good faith and in accordance with the requirements and intent of the Contract Documents. Carollo will not transmit any interpretations or clarifications directly to the Contractor. This Scope of Services was based on a total of twelve (12) hours of RFI review and response time.

Deliverables: Carollo will prepare written responses to RFI's and submit to the City.

701.2 Review and Response to Change Order Requests

Description: Carollo will review change order requests from the Contractor and provide opinion on the appropriateness of the change order request, in accordance with the Contract Documents. Carollo will provide a written summary of opinion of change order request and submit to the City's representative accordingly. This Scope of Services was based on a total of one (1) Change Order reviews requiring action. Change order review services provided by Carollo are based on a total of eight (8) hours of labor effort.

Deliverables: Carollo will prepare written responses to Change Order Requests and submit to the City.

701.3 Submittal Reviews

NOTE: The Contract Documents will be structured to indicate that the review of any re-submittals in excess of one resubmission will be at the expense of the Contractor. If the quantity of re-submittals becomes excessive (greater than 20%), Carollo reserves the right to potentially negotiate a contract Change Order with the City.

Description: Carollo will review and process the City-Wide Meter Vault Improvement related equipment and material submittals (i.e. samples, schedules, shop drawings, test results, product data, and other data) that the Contractor is required to submit for conformance with the Contract Documents. The review of vendor training lesson plans and instruction materials is not included in this Scope of Services. The level of effort for Task 701.3 was based on a total of five (5) submittal reviews.

The Contractor's submittals will be stamped appropriately to indicate results of Carollo's review. Such review will determine the suitability of the Contractor's proposed details for implementing the design; that the technical submittals conform to the design information given in the Contract Documents, and is consistent with the design intent represented in the specifications and drawings. Such review and approval will not extend to means, methods, sequences, techniques, or procedures of construction selected by Contractor, or to associated safety precautions and programs, unless specifically required in the Contract Documents by Carollo.

The submittal review process will be managed to provide timely review and response to the Contractor's submittals. Carollo will complete the review of submittals within ten (10) working days from Carollo's receipt of submittal, unless otherwise mutually agreed to by the City and Carollo.

For the purposes of this Task, Carollo has assumed that the Contractor will be responsible for maintaining their submittal file copies. Carollo also assumes that the Contractor submittals will be indexed and filed in accordance with the specification section number and specific equipment identified.

Deliverables: Carollo will prepare written responses to the project Submittals (Shop Drawings) to the City. Carollo will submit a Shop Drawing Log and approved shop drawing PDF files to the City at project closeout.

701.4 Review of System Shutdown Plan

Description: Carollo will review and provide comment on the Contractor's overall System Shutdown and Maintenance of Service Plan submittal as developed by the Contractor. This Scope of Services was based on a total of eight (8) hours of Shutdown Plan review and response time.

Deliverables: Carollo will review and prepare a written response to the Contractor's System Shutdown Plan (for all locations and shutdowns) and submit to the City.

Task 702 – Construction Inspection Services

Description: Carollo will not furnish a full-time on-site Inspector. Carollo will provide periodic visits to the construction sites to observe the general quality of construction only. It is anticipated that Carollo will spend one-half day (4 hours) at each meter vault location when work begins, then spend one-half day (4 hours) at each site once the work is completed and ready to be buried (closed up).

Deliverables: Carollo will prepare written inspection reports, daily logs, testing reports, materials testing reports, and compile all correspondence during the CA&I portion of the Phase I services and submit that documentation to the City electronically.

Task 703 – Substantial and Final Completion Inspection

Description: Following notice from the Contractor, Carollo will conduct an inspection to determine if the project or the work associated with interim milestones is substantially complete in accordance with the Contract Documents. If Carollo considers the work substantially complete, they will deliver to the City and the Contractor a "Certificate of Substantial Completion" and the punch list, and the date for completion of the punch list. If the work is not substantially complete, the process shall be repeated until the work is substantially complete.

Carollo will, upon completion of the punch list items as notified by the Contractor, make final inspection to determine if the finished work has been completed to the standard required by the Contract Documents, determine whether required inspections and approvals for permit compliance have been satisfactorily completed, and Contractor has fulfilled the obligations so that Carollo may recommend, in writing, final payment to Contractor and may give written notice to the City and the Contractor that the work is acceptable, subject to any conditions therein expressed and in consultation with the City whether the work is finally complete. At or before the final inspection, Carollo will request the Contractor prepare and furnish;

1. Certification that all obligations for payment for labor, materials, or equipment related to the work have been paid or otherwise satisfied.
2. Certification that all insurance and bonds required of the Contractor beyond final payment is in effect and will not be canceled or allowed to expire without notice to the City.
3. Written consent of surety for final payment.
4. Record document information is complete and submitted.
5. Keys, manuals, required spare parts, guaranties and warranties, and other documents necessary for closeout of the work.

If the work is not finally complete, the process shall be repeated until the work is finally complete. Promptly after the work is determined to be finally complete and Carollo determines that the Contractor has properly submitted the items required for final inspection, Carollo will determine whether the Contractor is entitled to final payment and, if so, will so certify to the City.

Carollo's certification that the Contractor is entitled to final payment constitutes Carollo's representation to the City that:

1. The work complies with (a) the Contract Documents, (b) applicable building codes, rules or regulations of all governmental authorities having jurisdiction over the project, and (c) applicable installation and workmanship standards
2. Contractor has submitted proper Final Completion close-out documents
3. Contractor is entitled to final payment

Carollo will provide to the City, at the time it submits a signed final payment request from the Contractor, all Final Completion closeout documents. Carollo will not be responsible for the acts or omissions of the Contractor or subcontractor, or any of the Contractor's or subcontractors' agents or employees or any other persons (except Carollo's own employees and agents) at the site(s) or otherwise performing any of the Contractor's work; however, nothing contained in Task 703, shall be construed to release Carollo from liability for failure to properly perform duties in accordance with this scope of services.

Deliverables: Carollo will perform an inspection for Substantial and Final Completion and note any deficiencies in a project Punch List. Carollo will submit written certification of Substantial and Final Completion to the City at each completed milestone.

Task 704 – Construction Drawings of Record

Description: Carollo will prepare Construction Drawings of Record (conformed construction drawings using the Final Design Drawings and incorporating any interim project changes) and specifications showing the changes made during the construction process, including any necessary sealing of documents as may be required. The Contractor will submit redline drawings of the interim project changes for the development of the Construction Drawings of Record. Carollo will request periodic proof of the completeness and accuracy of the Contractor's redline "As-Built" drawings. Carollo will submit one (1) copies of the project Drawings of Record (As-Built Drawings) on mylar, along with an AUTOCAD and PDF copy of the drawings on CD. The Contractor will submit separate Drawings of Record if required by the City.

Deliverables: Carollo will prepare Drawings of Record (As-Built) drawings of the project improvements and submit to the City.

TASK 600 – ALLOWANCE SERVICES (CA&I)

The following items are not the responsibility of the ENGINEER:

1. Obtaining of all easements, rights-of-way, permits (building), and approvals as may be needed.
2. Processing and payment of Contractor's payment applications (Carollo will review payment application and recommend payment to City).

The following section of the Scope of Services describes the services and costs associated with the Miscellaneous Services for the ARWRF Chlorination/Dechlorination Minor Modifications project.

Task 601 – Allowance Services (ODC's) - CA&I

Description: Allowances have been included in the compensation section of the Phase I CA&I Fee Proposal corresponding to this DRAFT Scope of Services. The Allowances reflect Other Direct Costs (ODCs) such as materials, printing costs, vehicle mileage, and day-to-day minor expenses to perform the Tasks 100 and 700 during the CA&I portion of Phase I of the project.

Deliverables: There are no anticipated deliverables for CA&I Task 601

Task 602 – Contingency (CA&I)

Description: A placeholder compensation amount (\$4,000) has been added to the project for unforeseen or undefined circumstances that arise during the Phase I CA&I Services. Carollo cannot start work using Contingency funds without written permission from the City. Contingency efforts will be negotiated at the time of occurrence if necessary.

Deliverables: There are no definable deliverables for CA&I Task 602

EXHIBIT C
Professional Services Agreement

SCHEDULE

(Cover Page)

City of Glendale
 City-Wide Meter Vault Improvements
 Design and Construction Administration Services

Sheet C - Schedule

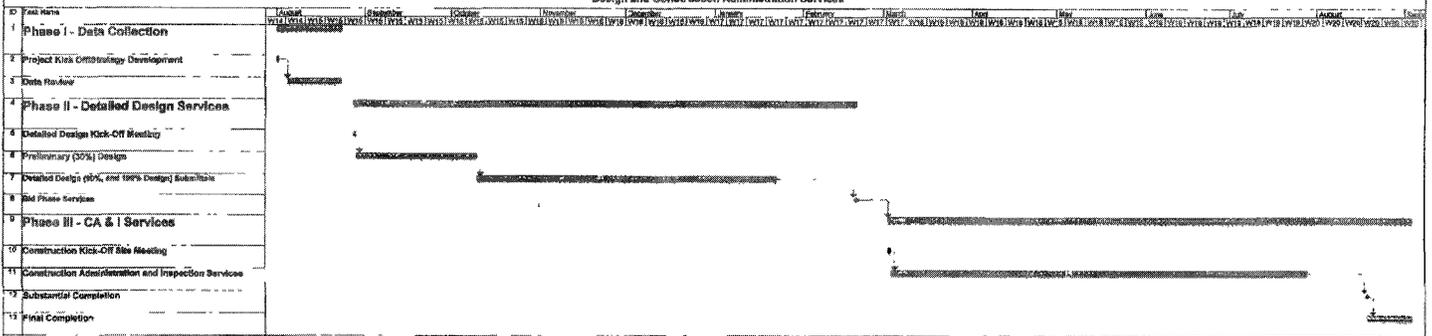


EXHIBIT D
Professional Services Agreement

COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

Time and materials, not to exceed the amount of \$173,073.00.

NOT-TO-EXCEED AMOUNT

The total amount of compensation paid to Consultant for full completion of all work required by the Project during the entire term of the Project must not exceed \$173,073.00.

DETAILED PROJECT COMPENSATION

See attached.

SUMMARY OF TASKS, MAN-HOURS and COSTS
City-Wide Meter Vault Improvements
FINAL Fee Proposal - Design and Bid Services
City of Glendale, Arizona
July 12, 2013

EXHIBIT D - FEE PROPOSAL

TASKS	CAROLLO Man-Hours								Man-Hours Per Task	Labor Cost Per Task
	Principal	Project Manager	Senior Project Professional	Professional	Senior Designer	CAD Technician	Word Proc./ Clerical	Inspector		
Task 100 - Project Administration and Management Services										
Task 101 - Project Meetings (Kick-Off, Preliminary + 8 Monthly Meetings)	0	20	20	0	0	0	0	0	40	\$ 7,800
Task 102 - Project Control and Reporting (8 months)	0	32	0	0	0	0	0	0	32	\$ 6,240
Subtotal - Project Administration and Management Services	0	52	20	0	0	0	0	0	72	\$14,040
Task 200 - Data Collection										
Task 200 - Data Collection	0	0	0	0	4	0	0	0	4	\$ 540
Subtotal - Data Collection	0	0	0	0	4	0	0	0	4	\$540
Task 300 - Preliminary (30%) Design										
Task 301 - Existing Site Investigation and Assessment (Field Data)	0	0	0	40	40	0	0	0	80	\$ 12,400
Task 302 - Codes and Standards Review	0	4	4	0	0	0	0	0	8	\$ 1,560
Task 303 - Preliminary (30%) Design Submittal										
303.1 Preliminary (30%) Design Drawings	2	24	48	24	0	76	0	0	174	\$ 26,690
303.2 Preliminary (30%) Design Review Meeting	0	4	4	0	0	0	0	0	8	\$ 1,560
Task 304 - Preliminary (30%) Design Opinion of Probable Cost	0	2	0	8	0	0	0	0	10	\$ 1,790
Subtotal - Preliminary (30%) Design	2	34	56	72	40	76	0	0	280	\$ 44,000
Task 400 - Detailed Design										
Task 401 - Detailed Design (90% Submittal) Drawings	2	24	24	0	0	38	0	0	88	\$ 13,820
Task 402 - Detailed Design (90% Submittal) Specifications	0	0	24	0	0	0	17	0	36	\$ 5,820
Task 403 - Detailed Design (Final Submittal) Drawings	2	8	16	0	0	16	0	0	42	\$ 6,830

CAROLLO ENGINEERS

SUMMARY OF TASKS, MAN-HOURS and COSTS
City-Wide Meter Vault Improvements
FINAL Fee Proposal - Design and Bid Services
City of Glendale, Arizona
July 12, 2013

EXHIBIT D - FEE PROPOSAL

TASKS	CAROLLO Man-Hours								Man-Hours Per Task	Labor Cost Per Task
	Principal	Project Manager	Senior Project Professional	Professional	Senior Designer	CAD Technician	Word Proc./ Clerical	Inspector		
Task 404 - Detailed Design (Final Submittal) Specifications	0	4	24	0	0	0	12	0	40	\$ 6,600
Task 405 - Detailed Design (Final Submittal) Opinion of Probable Cost	0	2	0	6	0	0	0	0	8	\$ 1,440
Subtotal - Detailed Design	4	38	88	6	0	54	24	0	214	\$ 34,510
Task 500 - Bid Phase Services										
Task 501 - Bid Phase Services (Phase I)	0	6	6	4	0	0	2	0	18	\$ 3,230
Subtotal - Bid Phase Services	0	6	6	4	0	0	2	0	18	\$ 3,230
Total Man-Hours	6	130	170	82	44	130	26	0	588	
Hourly Rates ⁽¹⁾	\$235	\$195	\$195	\$175	\$135	\$105	\$95	\$139		
Total Not-to-Exceed Labor Costs	\$1,410	\$25,360	\$33,160	\$14,360	\$5,940	\$13,650	\$2,470	\$0		\$96,320

Notes:

- (1) Hourly rates include Direct Labor, Overhead, and Profit.
 Rates are from March 2010 with a 3% increase.
 (2) Permitting Fees will be paid directly by the City of Glendale

Task 600 - Allowance Services

Task 601 - Allowance Services (ODC's)

Reimbursables

Printing & Scanning (Reports, Plans, Project Documentation, Misc) \$250
 Local Travel & Misc. \$1,088

Task 602 - Allowance Services (Contingency)

\$5,000

TOTAL ESTIMATED DETAILED DESIGN COST

\$102,658

CAROLLO ENGINEERS

City-Wide Meter Vault Improvements
FINAL Fee Proposal - Construction Administration and Inspection Services (Phase I)
 City of Glendale, Arizona
 July 12, 2013

TASKS	CAROLLO Man-Hours								Man-Hours Per Task	Labor Cost Per Task
	Principal	Project Manager	Senior Project Professional	Professional	Senior Designer	CAD Technician	Word Pros./ Clerical	Inspector		
Task 100 - Project Admin and Management Services (CA&I)										
Task 101 - Meetings (Pre-Construction, Shutdown Plan + 3 Monthly Migs)	0	10	10	0	0	0	0	0	20	\$ 3,800
Task 102 - Project Control and Reporting (4 months)	0	12	0	0	0	0	0	0	12	\$ 2,340
Subtotal - Project Admin and Management Services (CA&I)	0	22	10	0	0	0	0	0	32	\$6,240
Task 700 - Construction Administration (Phase I)										
Task 701 - Construction Administration Services										
701.1 Response to RFIs	0	12	0	0	0	0	0	0	12	\$ 2,340
701.2 Review and Response to Change Order Requests	0	8	0	0	0	0	0	0	8	\$ 1,560
701.3 Submittal Reviews	0	15	10	0	0	0	0	0	25	\$ 4,875
701.4 Review of System Shutdown Plan	0	0	8	0	0	0	0	0	8	\$ 1,560
Task 702 - Construction Inspection Services	0	0	0	0	0	0	0	272	272	\$ 37,808
Task 703 - Substantial and Final Completion Inspection	0	0	0	0	0	0	0	32	32	\$ 4,448
Task 704 - Construction Drawings of Record (As-Built Drawings)	0	0	0	0	38	0	0	0	38	\$ 5,130
Subtotal - Construction Administration (Phase I)	0	35	18	0	38	0	0	304	395	\$57,721
Total Man-Hours	0	57	28	0	38	0	0	304	427	
Hourly Rates ⁽¹⁾	\$235	\$195	\$195	\$175	\$135	\$105	\$95	\$139		
Total Not-to-Exceed Labor Costs	\$0	\$11,115	\$5,460	\$0	\$5,130	\$0	\$0	\$42,256		\$63,961

Notes:

- (1) Hourly rates include Direct Labor, Overhead, and Profit. Rates are from March 2010 and have a 3% increase
- (2) Permitting Fees will be paid directly by the City of Glendale.

Task 600 - Allowance Services (CA&I)

Task 601 - Allowance Services (ODC's)

Reimbursables

Printing & Scanning (Reports, Plans, Project Documentation, Misc) \$250
 Local Travel & Misc. \$2,204

Task 602 - Allowance Services (Contingency - CA&I)

\$4,000

TOTAL ESTIMATED CA&I COST

\$70,415

CAROLLO ENGINEERS

EXHIBIT E
Professional Services Agreement

DISPUTE RESOLUTION

1. Disputes.

- 1.1 Commitment. The parties commit to resolving all disputes promptly, equitably, and in a good-faith, cost-effective manner.
- 1.2 Application. The provisions of this Exhibit will be used by the parties to resolve all controversies, claims, or disputes ("Dispute") arising out of or related to this Agreement-including Disputes regarding any alleged breaches of this Agreement.
- 1.3 Initiation. A party may initiate a Dispute by delivery of written notice of the Dispute, including the specifics of the Dispute, to the Representative of the other party as required in this Agreement.
- 1.4 Informal Resolution. When a Dispute notice is given, the parties will designate a member of their senior management who will be authorized to expeditiously resolve the Dispute.
- a. The parties will provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any Dispute in order to assist in resolving the Dispute as expeditiously and cost effectively as possible;
 - b. The parties' senior managers will meet within 10 business days to discuss and attempt to resolve the Dispute promptly, equitably, and in a good faith manner, and
 - c. The Senior Managers will agree to subsequent meetings if both parties agree that further meetings are necessary to reach a resolution of the Dispute.

2. Arbitration.

- 2.1 Rules. If the parties are unable to resolve the Dispute by negotiation within 30 days from the Dispute notice, and unless otherwise informal discussions are extended by the mutual agreement, the Dispute will be decided by binding arbitration in accordance with Construction Industry Rules of the AAA, as amended herein. Although the arbitration will be conducted in accordance with AAA Rules, it will not be administered by the AAA, but will be heard independently.
- a. The parties will exercise best efforts to select an arbitrator within five business days after agreement for arbitration. If the parties have not agreed upon an arbitrator within this period, the parties will submit the selection of the arbitrator to one of the principals of the mediation firm of Scott & Skelly, LLC, who will then select the arbitrator. The parties will equally share the fees and costs incurred in the selection of the arbitrator.
 - b. The arbitrator selected must be an attorney with at least 15 years' experience with commercial construction legal matters in Maricopa County, Arizona, be independent, impartial, and not have engaged in any business for or adverse to either Party for at least 10 years.
- 2.2 Discovery. The extent and the time set for discovery will be as determined by the arbitrator. Each Party must, however, within 10 days of selection of an arbitrator deliver to the other Party copies of all documents in the delivering party's possession that are relevant to the dispute.

- 2.3 Hearing. The arbitration hearing will be held within 90 days of the appointment of the arbitrator. The arbitration hearing, all proceedings, and all discovery will be conducted in Glendale, Arizona unless otherwise agreed by the parties or required as a result of witness location. Telephonic hearings and other reasonable arrangements may be used to minimize costs.
 - 2.4 Award. At the arbitration hearing, each Party will submit its position to the arbitrator, evidence to support that position, and the exact award sought in this matter with specificity. The arbitrator must select the award sought by one of the parties as the final judgment and may not independently alter or modify the awards sought by the parties, fashion any remedy, or make any equitable order. The arbitrator has no authority to consider or award punitive damages.
 - 2.5 Final Decision. The Arbitrator's decision should be rendered within 15 days after the arbitration hearing is concluded. This decision will be final and binding on the Parties.
 - 2.6 Costs. The prevailing party may enter the arbitration in any court having jurisdiction in order to convert it to a judgment. The non-prevailing party will pay all of the prevailing party's arbitration costs and expenses, including reasonable attorney's fees and costs.
3. **Services to Continue Pending Dispute.** Unless otherwise agreed to in writing, Consultant must continue to perform and maintain progress of required Services during any Dispute resolution or arbitration proceedings, and City will continue to make payment to Consultant in accordance with this Agreement.
 4. **Exceptions.**
 - 4.1 Third Party Claims. City and Consultant are not required to arbitrate any third-party claim, cross-claim, counter claim, or other claim or defense of a third party who is not obligated by contract to arbitrate disputes with City and Consultant.
 - 4.2 Liens. City or Consultant may commence and prosecute a civil action to contest a lien or stop notice, or enforce any lien or stop notice, but only to the extent the lien or stop notice the Party seeks to enforce is enforceable under Arizona Law, including, without limitation, an action under A.R.S. § 33-420, without the necessity of initiating or exhausting the procedures of this Exhibit.
 - 4.3 Governmental Actions. This Exhibit does not apply to, and must not be construed to require arbitration of, any claims, actions or other process filed or issued by City of Glendale Building Safety Department or any other agency of City acting in its governmental permitting or other regulatory capacity.