

## CITY COUNCIL REGULAR MEETING AGENDA

REGULAR COUNCIL MEETING  
TUESDAY  
JUNE 4, 2024

COUNCIL CHAMBERS  
211 WEST ASPEN AVENUE  
3:00 P.M.

All City Council Meetings are live streamed on the city's website  
(<https://www.flagstaffaz.gov/1461/Streaming-City-Council-Meetings>)

### **\*\*\*PUBLIC COMMENT\*\*\***

Verbal public comments not related to items appearing on the posted agenda may be provided during the "Open Call to the Public" at the beginning and end of the meeting and may only be provided in person.

Verbal public comments related to items appearing on the posted agenda may be given in person or online and will be taken at the time the item is discussed.

To provide online verbal comment on an item that appears on the posted agenda, use the link below.

### [ONLINE VERBAL PUBLIC COMMENT](#)

Written comments may be submitted to [publiccomment@flagstaffaz.gov](mailto:publiccomment@flagstaffaz.gov). All comments submitted via email will be considered written comments and will be documented in the record as such.

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#### 1. CALL TO ORDER

##### **NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION**

*Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for discussion and consultation with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).*

#### 2. ROLL CALL

*NOTE: One or more Councilmembers may be in attendance through other technological means.*

MAYOR DAGGETT  
VICE MAYOR ASLAN  
COUNCILMEMBER HARRIS  
COUNCILMEMBER HOUSE

COUNCILMEMBER MATTHEWS  
COUNCILMEMBER MCCARTHY  
COUNCILMEMBER SWEET

#### 3. PLEDGE OF ALLEGIANCE, MISSION STATEMENT, AND LAND ACKNOWLEDGEMENT

##### **MISSION STATEMENT**

*The mission of the City of Flagstaff is to protect and enhance the quality of life for all.*

##### **LAND ACKNOWLEDGEMENT**

*The Flagstaff City Council humbly acknowledges the ancestral homelands of this area's Indigenous nations and original stewards. These lands, still inhabited by Native descendants, border mountains sacred to Indigenous peoples. We honor them, their legacies, their traditions, and their continued contributions. We celebrate their past, present, and future generations who will forever know this place as home.*

#### 4. OPEN CALL TO THE PUBLIC

*Open Call to the Public enables the public to address the Council about an item that is not on the prepared agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed. Open Call to the Public appears on the agenda twice, at the beginning and at the end. The total time allotted for*

*the first Open Call to the Public is 30 minutes; any additional comments will be held until the second Open Call to the Public.*

*If you wish to address the Council in person at today's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak. You may address the Council up to three times throughout the meeting, including comments made during Open Call to the Public and Public Comment. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.*

**5. PROCLAMATIONS AND RECOGNITIONS**

- A. **Proclamation:** Gun Violence Awareness Day

**6. COUNCIL LIAISON REPORTS**

**7. APPOINTMENTS**

*Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that the City Council may vote to go into executive session, which will not be open to the public, for the purpose of discussing or considering employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee, or employee of any public body...., pursuant to A.R.S. §38-431.03(A)(1).*

- A. **Consideration of Appointments:** Beautification and Public Art Commission.

**STAFF RECOMMENDED ACTION:**

Make three appointments to terms expiring June 2027.

**8. LIQUOR LICENSE PUBLIC HEARINGS**

*Applications under Liquor License Public Hearings may be considered under one public hearing and may be acted upon by one motion unless otherwise requested by Council.*

**STAFF RECOMMENDED ACTION:**

1. Open the Public Hearing
2. Staff Presentation
3. Council Questions
4. Public Comment
5. Close Public Hearing
6. Council Deliberation and Action

The City Council has the option to:

1. Forward the application to the State with a recommendation for approval;
2. Forward the application to the State with a recommendation for denial based on the testimony received at the public hearing and/or other factors.

- A. **Consideration and Action on Liquor License Application:** Mikal Charles Antunez, "D-Luxe Barbershop," 18 N. Leroux Street, Series 07 (Beer and Wine Bar), Location/Owner Transfer

**STAFF RECOMMENDED ACTION:**

1. Forward the application to the State with a recommendation for approval;
2. Forward the application to the State with a recommendation for denial based on the testimony received at the public hearing and/or other factors.

9. **CONSENT AGENDA**

*All matters under Consent Agenda are considered by the City Council to be routine. Unless a member of City Council expresses a desire at the meeting to remove an item from the Consent Agenda for discussion, the Consent Agenda will be enacted by one motion approving the recommendations listed on the agenda. Unless otherwise indicated, expenditures approved by Council are budgeted items.*

**STAFF RECOMMENDED ACTION:**

Approve the Consent Agenda as posted.

- A. **Consideration and Approval of Contract:** Purchase of two (2) 10-Wheel Snowplow Dump Trucks from RWC Group LLC

**STAFF RECOMMENDED ACTION:**

1. Approve the equipment purchase for two (2) 2025 International HX520 SFA Heavy Duty plow trucks from RWC Group, LLC in the amount of \$782,210.11 through cooperative purchase contract #CTR069476 with the Arizona Department of Administration, State procurement office and;
2. Authorize the City Manager to execute the necessary documents.

- B. **Consideration and Approval of Construction Services Contract:** Approve the Contract with Major League Painting Inc. for Painting Downtown Green Assets

**STAFF RECOMMENDED ACTION:**

1. Approve the Contract with Major League Painting, Inc in the amount of \$168,181.75 to cover costs for all personnel, equipment, tools, materials, supervision, and services for the painting and finishing of specified assets within the boundaries of Route 66 and Cherry Ave, spanning from Humphrey to Verde Streets in municipal green.
2. Authorize the City Manager to execute all necessary documents.

- C. **Consideration and Approval of Contract:** Approval of a Construction Manager at Risk Construction Phase Services Agreement for the Street Maintenance Program and approve GMP 1 to C and E Paving & Grading, LLC.

**STAFF RECOMMENDED ACTION:**

1. Approve the Construction Manager at Risk (CMAR) Construction Phase Services Agreement with C and E Paving & Grading, LLC for the Street Maintenance Program 2024, 2025 & 2026 for a Guaranteed Maximum Price (GMP) of \$6,376,102.20; and
2. Approve GMP 1 authorizing C and E Paving & Grading, LLC to execute the 2024 Street Maintenance Program; and
3. Authorize the City Manager to execute the necessary documents.

- D. **Consideration and Approval of Contract:** Cooperative Purchase Contract with Carollo Engineers, Inc. for Engineering Services on the Fort Tuthill Well Pump House #2 in an amount not to exceed \$499,988.00.

**STAFF RECOMMENDED ACTION:**

1. Approve the Cooperative Purchase Contract with Carollo Engineers, Inc. for Engineering Services on the Fort Tuthill Well Pump House #2 in an amount not to exceed \$499,988.00; and
2. Authorize the City Manager to execute the necessary documents.

- E. **Consideration and Approval of Contract:** Approval of the Cooperative Purchase Contract with PFVT Motors, LLC dba Peoria Ford for the purchase of Four 2023 Ford Explorer Police Interceptors for the Flagstaff Police Department in the amount of \$211,955.44.

**STAFF RECOMMENDED ACTION:**

1. Approval of the Cooperative Purchase Contract with PFVT Motors, LLC dba Peoria Ford for the purchase of Four 2023 Ford Explorer Police Interceptors for the Flagstaff Police Department in the amount of \$211,955.44; and
2. Authorize the City Manager to execute the necessary documents.

- F. **Consideration and Approval of Council Meeting Schedule Adjustment:** Reschedule the August 27, 2024 regular meeting to August 26, 2024.

**STAFF RECOMMENDED ACTION:**

Reschedule the Tuesday, August 27, 2024 meeting to Monday, August 26, 2024.

- G. **Consideration and Approval of Letter of Support:** Letter of Support to advance the Northeastern Arizona Indian Water Rights Settlement Act

**STAFF RECOMMENDED ACTION:**

Approve the Letter of Support

10. **REGULAR AGENDA**

- A. **Consideration and Adoption of Resolution No. 2024-25:** A resolution of the Council of the City of Flagstaff, Arizona adopting the tentative budget for Fiscal Year 2024-2025.

**STAFF RECOMMENDED ACTION:**

1. Read Resolution No. 2024-25 by title only
2. City Clerk reads Resolution No. 2024-25 by title only (if approved above)
3. Adopt Resolution No. 2024-25

- B. **Consideration and Adoption of Resolution No. 2024-24:** A resolution of the Flagstaff City Council adopting the City of Flagstaff Public Safety Personnel Retirement System Pension Funding Policy; delegating authority; and establishing an effective date.

**STAFF RECOMMENDED ACTION:**

1. Read Resolution No. 2024-24 by title only
2. City Clerk reads Resolution No. 2024-24 by title only (if approved above)
3. Adopt Resolution No. 2024-24

- C. **Consideration and Adoption of Resolution No. 2024-23:** A resolution of the Flagstaff City Council, designating its Chief Fiscal Officer for officially submitting the fiscal year 2024-2025 expenditure limitation report to the Arizona Auditor General, and establishing an effective date.

**STAFF RECOMMENDED ACTION:**

1. Read Resolution No. 2024-23 by title only
2. City Clerk reads Resolution No. 2024-23 by title only (if approved above)
3. Adopt Resolution No. 2024-23

- D. **Consideration and Adoption of Resolution No. 2024-26:** A resolution of the Flagstaff City Council, amending the Procurement Code Manual, Article 4 and adding Article 32 and establishing an effective date.

**STAFF RECOMMENDED ACTION:**

1. Read Resolution No. 2024-26 by title only
2. City Clerk reads Resolution No. 2024-26 by title only (if approved above)
3. Adopt Resolution No. 2024-26

- E. **Consideration and Adoption of Resolution No. 2024-22 and Ordinance No. 2024-16:** A resolution of the Flagstaff City Council declaring as a public record that certain document filed with the City Clerk and entitled "2024 amendments to chapters 2-03, 2-13, 2-14, 2-20, and 3-06 of the city code related to the parks and recreation commission, tourism commission, beautification and public art commission, open spaces commission, and hospitality industry tax revenues" and An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 2, Boards and Commissions, Chapters 2-03, Parks and Recreation Commission, 2-13, Tourism Commission, 2-14, Beautification and Public Art Commission, and 2-20, Open Spaces Commission, and Title 3, Business Regulations, Chapter 3-06, Hospitality Industry Tax Revenues, by adopting by reference that certain document entitled "2024 Amendments to Chapters 2-03, 2-13, 2-14, 2-20, and 3-06 of the City Code Related to the Parks and Recreation Commission, Tourism Commission, Beautification and Public Art Commission, Open Spaces Commission, and Hospitality Industry Tax Revenues," providing for repeal of conflicting ordinances, severability, clerical corrections, and establishing an effective date.

**STAFF RECOMMENDED ACTION:**

At the June 4, 2024 Council Meeting:

- 1) Read Resolution No. 2024-22 by title only
- 2) City Clerk reads Resolution No. 2024-22 by title only (if approved above)
- 3) Read Ordinance No. 2024-16 by title only for the first time
- 4) City Clerk reads Ordinance No. 2024-16 by title only (if approved above)

At the June 18, 2024 Council Meeting:

- 5) Adopt Resolution No. 2024-22
- 6) Read Ordinance No. 2024-16 by title only for the final time
- 7) City Clerk reads Ordinance No. 2024-16 by title only (if approved above)
- 8) Adopt Ordinance No. 2024-16

11. **DISCUSSION ITEMS**

- A. **Discussion and Direction following Council's Revisions to Water, Wastewater, and Reclaimed Water Model Assumptions and Resulting Rates**

**STAFF RECOMMENDED ACTION:**

The desired outcome is for the Council to confirm their recommended rate model revisions to develop the final rates package for Council consideration at the June 18 and July 2 public hearings.

12. **FUTURE AGENDA ITEM REQUESTS**

*After discussion and upon agreement by three members of the Council, an item will be moved to a regularly-scheduled Council meeting.*

- A. **Future Agenda Item Request (F.A.I.R.):** A request by Councilmember McCarthy to place on a future agenda a discussion regarding towing and car storage charges and the use of cash versus credit cards.

**STAFF RECOMMENDED ACTION:**

Council Direction

- B. **Future Agenda Item Request (F.A.I.R.):** A request by Councilmember Matthews to place on a future agenda a discussion about expanding the Employer Assisted Housing program and how to expand the program to local employers for workforce housing using incentives.

**STAFF RECOMMENDED ACTION:**

Council Direction

- 13. **OPEN CALL TO THE PUBLIC**
- 14. **INFORMATIONAL ITEMS TO/FROM MAYOR, COUNCIL, AND STAFF, AND FUTURE AGENDA ITEM REQUESTS**
- 15. **ADJOURNMENT**

**CERTIFICATE OF POSTING OF NOTICE**

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on \_\_\_\_\_, at \_\_\_\_\_ a.m./p.m. in accordance with the statement filed by the City Council with the City Clerk.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Stacy Saltzburg, MMC, City Clerk

THE CITY OF FLAGSTAFF ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO PERSONS WITH DISABILITIES. With 48-hour advance notice, reasonable accommodations will be made upon request for persons with disabilities or non-English speaking residents. Please call the City Clerk (928) 213-2076 or email at [stacy.saltzburg@flagstaffaz.gov](mailto:stacy.saltzburg@flagstaffaz.gov) to request an accommodation to participate in this public meeting.

NOTICE TO PARENTS AND LEGAL GUARDIANS: Parents and legal guardians have the right to consent before the City of Flagstaff makes a video or voice recording of a minor child, pursuant to A.R.S. § 1-602(A)(9). The Flagstaff City Council meetings are live-streamed and recorded and may be viewed on the City of Flagstaff's website. If you permit your child to attend/participate in a televised Council meeting, a recording will be made. You may exercise your right not to consent by not allowing your child to attend/participate in the meeting.

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council  
From:  
Date: 05/28/2024  
Meeting Date: 06/04/2024



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**TITLE:**

**Consideration of Appointments:** Beautification and Public Art Commission.

**STAFF RECOMMENDED ACTION:**

Make three appointments to terms expiring June 2027.

**Executive Summary:**

The Beautification and Public Art Commission consists of seven citizens, and recommends expenditures from the BBB beautification fund and the public art portion of the Arts and Science fund. It studies and recommends community beautification projects ranging from landscaping and irrigation, signs and billboards, buildings, street-scapes, gateways, the purchase and installation of public art projects within beautification projects, and property acquisition for beautification and/or public art and neighborhood-initiated projects, to mention a few. There are currently three open seats due to term expiration. It is important to fill vacancies on Boards and Commissions quickly to allow the Commission to continue meeting on a regular basis. The City of Flagstaff is committed to increasing diversity in every board and commission, please consider how the applicant stated they may contribute to this commitment.

There are seven applications on file for consideration by the Council, they are as follows:

- Robert "Dan" Duke (new applicant)
- Erin Gardner (new applicant)
- Carla McCord (current commissioner)
- Matt McGrath (current commissioner)
- Michael Rulon (new applicant)
- Audra Travelbee (new applicant)
- Genelyn Tuliao (new applicant)

In an effort to reduce exposure to personal information the applicant roster and applications will be submitted to the City Council separately.

**COUNCIL APPOINTMENT ASSIGNMENT:** Councilmember Matthews, Councilmember Harris, and Councilmember McCarthy

**Financial Impact:**

These are voluntary positions and there is no budgetary impact to the City of Flagstaff.

**Policy Impact:**

Not applicable.

**Previous Council Decision or Community Discussion:**

None.

**Options and Alternatives to Recommended Action:**

1. Appoint three Commissioners: By appointing members at this time, the Beautification and Public Art Commission will be at full membership, allowing the group to meet and provide recommendations to the City Council.
2. Postpone the action to allow for further discussion or expand the list of candidates.

**Connection to PBB Priorities and Objectives:**

*Inclusive and Engaged Community* - Foster community pride and civic engagement; advance social equity and social justice in Flagstaff; facilitate and foster diversity and inclusivity; and enhance community outreach and engagement opportunities.

**Connection to Regional Plan:**

None.

**Connection to Carbon Neutrality Plan:**

None.

**Connection to 10-Year Housing Plan:**

*Connect 2.2:* Encourage community organizations such as the local Continuum of Care to continue to integrate equity into programs and policies.

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**Attachments:**    BPAC Authority



**CHAPTER 2-14  
BEAUTIFICATION AND PUBLIC ART COMMISSION**

SECTIONS:

- 2-14-001-0001 CREATION OF COMMISSION:
- 2-14-001-0002 COMPOSITION AND TERM OF OFFICE:
- 2-14-001-0003 COMPENSATION OF COMMISSION MEMBERS:
- 2-14-001-0004 ORGANIZATION:
- 2-14-001-0005 MEETINGS:
- 2-14-001-0006 DUTIES:

**2-14-001-0001 CREATION OF COMMISSION:**

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There is hereby established a City Beautification and Public Art Commission. There shall be seven (7) voting members of said Commission who shall meet as hereinafter provided to consider and recommend programs for the expenditure of the beautification and arts and sciences portions of the Bed, Board and Booze Tax allocated under Chapter 3-06, Hospitality Industry Tax Revenues.

"Arts and sciences" means support for Flagstaff arts, scientific and cultural activities, events and organizations to provide direct and indirect citizen participation and enhancement of the overall quality of life and community image including support of public art. (Same meaning as set forth in Section 3-06-001-0001.)

"Beautification" means any modification of the urban physical environment to increase pleasure to the senses or pleurably exalt the mind or spirit or strengthen the urban design framework of the City (same meaning as set forth in Section 3-06-001-0001). (Ord. 1580, Enacted, 08/02/1988; Ord. 2006-15, Amended, 05/16/2006; Ord. 2007-07, Amended, 02/06/2007; Ord. 2014-28, Amended, 11/18/2014; Ord. 2015-22, Amended, 01/05/2016)

**2-14-001-0002 COMPOSITION AND TERM OF OFFICE:**

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The composition of the membership shall consist of seven (7) members appointed by the City Council.

Each member shall serve three (3) year terms, on a staggered basis. A member's term in office shall commence with the first regular Commission meeting following the appointment and terminate with the regular Commission meeting at which the successor takes office. No voting member of the Commission may be appointed to more than two (2) full consecutive terms. (Ord. 1580, Enacted, 08/02/1988; Ord. 1674, Amended,

09/18/1990; Ord. 2006-15, Amended, 05/16/2006; Ord. 2007-04, Amended, 02/06/2007; Ord. 2014-28, Amended, 11/18/2014; Ord. 2015-22, Amended, 01/05/2016)

**2-14-001-0003 COMPENSATION OF COMMISSION MEMBERS:**

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Members of the Commission shall serve without compensation. (Ord. 1580, Enacted, 08/02/1988)

**2-14-001-0004 ORGANIZATION:**

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The Commission shall elect a Chairperson from among its members. The term of the Chairperson shall be one year with eligibility for reelection. Commission members may not serve more than two (2) consecutive terms as Chairperson. The Council representative shall not be eligible for the Chair. (Ord. No. 1580, Enacted, 08/02/1988)

**2-14-001-0005 MEETINGS:**

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A. The Commission shall hold at least one (1) regular meeting per month, which shall at all times be open to the public; the time and place of said meeting shall be posted in accordance with the applicable Arizona State Statutes.

B. A quorum consisting of a minimum of four (4) voting members of the Commission shall be required to conduct business. (Ord. 1580, Enacted, 08/02/88; Ord. 2006-15, Amended, 05/16/2006; Ord. 2016-30, Amended, 07/05/2016)

**2-14-001-0006 DUTIES:**

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The duties of the Commission shall be to:

A. The Commission shall be responsible for preparing a Five (5) Year Plan. The Five (5) Year Plan shall be used as a guideline for future programs. Said Plan shall be presented to the Council prior to April 1st of each year.

B. Develop and present to City Council an Annual Plan outlining the Commission's program recommendations for the upcoming fiscal year. Said plan shall be presented to the Council prior to April 1st of each year.

C. Make recommendations to the City Council concerning the annual budgetary allocation of the beautification and public art portions of the Bed, Board and Booze Tax and other monies as deemed appropriate by the City Council, to include, but not be limited to:

1. Purchase, installation or modification of landscaping and irrigation systems;
2. Purchase, removal or modification of billboards and nonconforming signs;

3. Beautification of buildings and facilities, streetscapes and gateways;
4. Purchase and installation of public art projects;
5. Purchase or lease of easements or property necessary for beautification projects.

D. Make recommendations to the City Council for public art projects by:

1. Reviewing and defining potential public art projects and writing project descriptions.
2. Determining the artist selection method and writing the call to artists for public art projects.
3. Evaluating public art proposals for recommendation to the City Council.
4. Facilitating display of local art in public facilities.

E. With respect to the arts and science portion of the Bed, Board and Booze Tax allocated under Chapter 3-06, Hospitality Industry Tax Revenues, the Commission shall make recommendations to the Council concerning the annual budgetary allocation of the arts and science portion of this tax, to include but not be limited to:

1. Developing and supporting the Flagstaff arts, scientific and cultural activities, events and organizations to provide direct and indirect citizen participation, and opportunities for enhancement of the overall quality of life and community image.
2. Developing, acquiring and distributing material to promote arts and science.
3. Developing financial assistance programs to stimulate artistic and scientific activities in Flagstaff.
4. Retaining of appropriate staff to implement approved programs.

F. Perform those additional duties as determined by the City Council, related to the Beautification and Public Art Commission. (Ord. No. 1580, Enacted, 08/02/88; Ordinance No. 2006-15, Amended, 05/16/2006; Ord. 2015-22, Amended, 01/05/2016)

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:**  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024



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**TITLE:**

**Consideration and Action on Liquor License Application:** Mikal Charles Antunez, "D-Luxe Barbershop," 18 N. Leroux Street, Series 07 (Beer and Wine Bar), Location/Owner Transfer

**STAFF RECOMMENDED ACTION:**

1. Forward the application to the State with a recommendation for approval;
2. Forward the application to the State with a recommendation for denial based on the testimony received at the public hearing and/or other factors.

**Executive Summary:**

The liquor license process begins at the State level and applications are then forwarded to the respective municipality for posting of the property and holding a public hearing, after which the Council recommendation is forwarded back to the State. A Series 07 beer and wine bar license allows a beer and wine bar retailer to sell and serve beer and wine, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises. A Series 07 license is a "quota" license available only through the Liquor License Lottery or for purchase on the open market. D-Luxe Barbershop is an existing business in Flagstaff and they are requesting a location/owner transfer. They purchased the license from Drayton, Inc. in April 2024. If approved, it will be the 26th active series 07 license in Flagstaff. To view surrounding liquor licenses, please visit the [Active Liquor Licenses Map](#).

The property has been posted as required, and the Police and Community Development divisions have reviewed the application and provided their respective reports.

**Financial Impact:**

There is no budgetary impact to the City of Flagstaff as this is a recommendation to the State.

**Policy Impact:**

Not applicable.

**Previous Council Decision or Community Discussion:**

Not applicable.

**Options and Alternatives to Recommended Action:**

**Key Considerations:**

Because the application is for a location and owner transfer, consideration may be given to the personal qualifications of the applicant and the location.

The deadline for issuing a recommendation on this application is June 24, 2024.

**Community Involvement:**

This business will contribute to the tax base of the community. We are not aware of any other relevant considerations.

**Expanded Options and Alternatives:**

The application was properly posted on May 14, 2024. No written protests have been received to date.

**Connection to PBB Priorities and Objectives:**

Liquor licenses are a regulatory action and there are no Community Priorities that directly apply.

**Connection to Regional Plan:**

Not applicable.

**Connection to Carbon Neutrality Plan:**

Not applicable.

**Connection to 10-Year Housing Plan:**

Not applicable.

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**Attachments:**    [Letter to Applicant](#)  
                          [Hearing Procedures](#)  
                          [Series 07 Description](#)  
                          [PD Memo](#)  
                          [Zoning Memo](#)  
                          [Map](#)



# City of Flagstaff

OFFICE OF THE CITY CLERK

5/21/2024

Mikal Charles Antunez  
18 N. Leroux Street  
Flagstaff, AZ 86001

Dear Mr. Antunez,

Your application for a Series 7 Liquor License for D-Luxe Barbershop located at 18 N. Leroux Street, Flagstaff, AZ was posted on March 14, 2024. The City Council will consider the application at a public hearing during their scheduled Regular City Council Meeting on **June 4, 2024, which is scheduled to begin at 3:00 p.m.**

It is important that you or your representative attend this Council Meeting via video conference ([Microsoft Teams Meeting](#)) or in person and be prepared to answer any questions the City Council may have. Failure to be available for questions could result in a recommendation for denial of your application. We suggest you contact your legal counsel or the Department of Liquor Licenses and Control at 602-542-5141 to determine the criteria for your license. To help you understand how the public hearing process will be conducted, we are enclosing a copy of the City's liquor license application hearing procedures.

The twenty-day posting period for your liquor license application is set to expire on June 3, 2024, and the application may be removed from the premises at that time.

There is an \$815 application fee which needs to be received before the hearing date. Payment can be made online at <https://www.flagstaff.az.gov/2452/E--Services> under Business Licensing Payment Online Services by clicking Liquor License Request Payment, in person at the payment window, or you can send a check to my attention at 211 W. Aspen Ave., Flagstaff, AZ 86001.

If you have any questions, please call me at 928-213-2077 (office) or 928-220-5995 (cell).

Sincerely,

*Stacy M. Fobar*

Stacy M. Fobar  
Deputy City Clerk

Enclosures



# City of Flagstaff

## Liquor License Application Hearing Procedures

1. When the matter is reached at the Council meeting, the presiding officer will open the public hearing on the item.
2. The presiding officer will then ask whether City staff have information to present to the Council regarding the application. Staff should come forward at this point and present information to the Council in a presentation not exceeding ten (10) minutes. Council may question City staff regarding the testimony or other evidence provided by City staff.
3. The presiding officer will request that the Applicant come forward to address the Council regarding the application. The applicant can give a presentation not exceeding ten (10) minutes. Council may question the Applicant regarding the testimony or other evidence provided by the Applicant.
4. Other parties, if any, may then testify, limited to three (3) minutes per person. Council may question these parties regarding the testimony they present to the Council.
5. The Applicant may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of the Applicant.
6. City staff may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of City Staff.
7. The presiding officer will then close the public hearing.
8. The Council will then, by motion, vote to forward the application to the State with a recommendation of approval, disapproval, or shall vote to forward with no recommendation.

## **R19-1-702. Determining Whether to Grant a License for a Certain Location**

- A. To determine whether public convenience requires and the best interest of the community will be substantially served by issuing or transferring a license at a particular unlicensed location, local governing authorities and the Board may consider the following criteria:
1. Petitions and testimony from individuals who favor or oppose issuance of a license and who reside in, own, or lease property within one mile of the proposed premises;
  2. Number and types of licenses within one mile of the proposed premises;
  3. Evidence that all necessary licenses and permits for which the applicant is eligible at the time of application have been obtained from the state and all other governing bodies;
  4. Residential and commercial population of the community and its likelihood of increasing, decreasing, or remaining static;
  5. Residential and commercial population density within one mile of the proposed premises;
  6. Evidence concerning the nature of the proposed business, its potential market, and its likely customers;
  7. Effect on vehicular traffic within one mile of the proposed premises;
  8. Compatibility of the proposed business with other activity within one mile of the proposed premises;
  9. Effect or impact on the activities of businesses or the residential neighborhood that might be affected by granting a license at the proposed premises;
  10. History for the past five years of liquor violations and reported criminal activity at the proposed premises provided that the applicant received a detailed report of the violations and criminal activity at least 20 days before the hearing by the Board;
  11. Comparison of the hours of operation at the proposed premises to the hours of operation of existing businesses within one mile of the proposed premises; and
  12. Proximity of the proposed premises to licensed childcare facilities as defined by A.R.S. § 36-881.
- B. This Section is authorized by A.R.S. § 4-201(I).



## License Types: Series 07 Beer and Wine Bar License

Transferable (From person to person and/or location to location within the same county only)

On & off-sale retail privileges

Note: Terms in **BOLD CAPITALS** are defined in the [glossary](#).

### PURPOSE:

Allows a beer and wine bar retailer to sell and serve beer and wine, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises.

### ADDITIONAL RIGHTS AND RESPONSIBILITIES:

A retailer with off-sale privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of **DELIVERY**. The retailer must complete a Department approved "Record of Delivery" form for each spirituous liquor retail delivery.

On any original applications, new managers and/or the person responsible for the day-to-day operations must attend a basic and management training class.

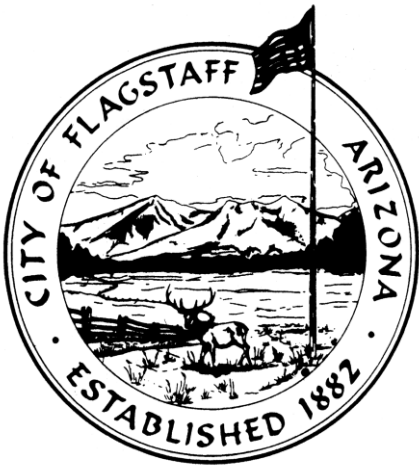
A licensee acting as a **RETAIL AGENT**, authorized to purchase and accept delivery of spirituous liquor by other licensees, must receive a certificate of registration from the Department.

A **PREGNANCY WARNING SIGN** for pregnant women consuming spirituous liquor must be posted within twenty (20) feet of the cash register or behind the bar.

A log must be kept by the licensee of all persons employed at the premises including each employee's name, date and place of birth, address and responsibilities.

Off-sale ("To Go") package sales can be made on the bar premises as long as the area of off-sale operation does not utilize a separate entrance and exit from the one provided for the bar.

Bar, beer and wine bar and restaurant licensees must pay an annual surcharge of \$20.00. The money collected from these licensees will be used by the Department for an auditor to review compliance by restaurants with the restaurant licensing provisions of ARS 4-205.02.



**FLAGSTAFF POLICE DEPARTMENT**  
911 SAWMILL RD • FLAGSTAFF, ARIZONA 86001 • (928) 779-3646  
ADMIN FAX (928)213-3372  
TDD 1-800-842-4681



Chief of Police  
Dan Musselman

## MEMORANDUM

**Memo #24-045**

**TO: Chief Musselman**

**FROM: Sgt. N. Almendarez #703**

**DATE: May 14, 2024**

**RE: Owner Transfer – Series 07 (Beer and Wine Bar) Liquor License Application–  
D-Luxe Barbershop**

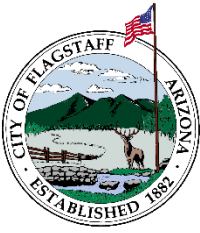
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On May 14th, 2024, I initiated an investigation into an Owner Transfer application for a Series 07 (Beer and Wine Bar) liquor license filed by Mikal Antunez (Agent and Controlling Person). This is for an owner transfer, and the application number is 294859. It is for D-Luxe Barbershop, located at 18 North Leroux Street, Flagstaff, AZ.

I conducted a query through local systems and public access on Mikal Antunez. I discovered no active felony investigations. I conducted a search for current or historical liquor violations on the business and found no violations.

I found no evidence that the applicant has taken the mandatory liquor license training. This business is not located within 300 feet of a school.

A representative for the business was invited to be present for the council meeting on June 4th, 2024.



## Planning and Development Services Memorandum

To: Stacy Fobar, Deputy City Clerk  
From: Reggie Eccleston, Code Compliance Manager  
CC: Michelle McNulty, Planning Director  
Date: May 21, 2024  
Re: Application for Liquor License #294859  
18 N Leroux St., Flagstaff, Arizona 86001  
Assessor's Parcel Number 100-20-013  
Mikal Charles Antunez on behalf of D-Luxe Barbershop

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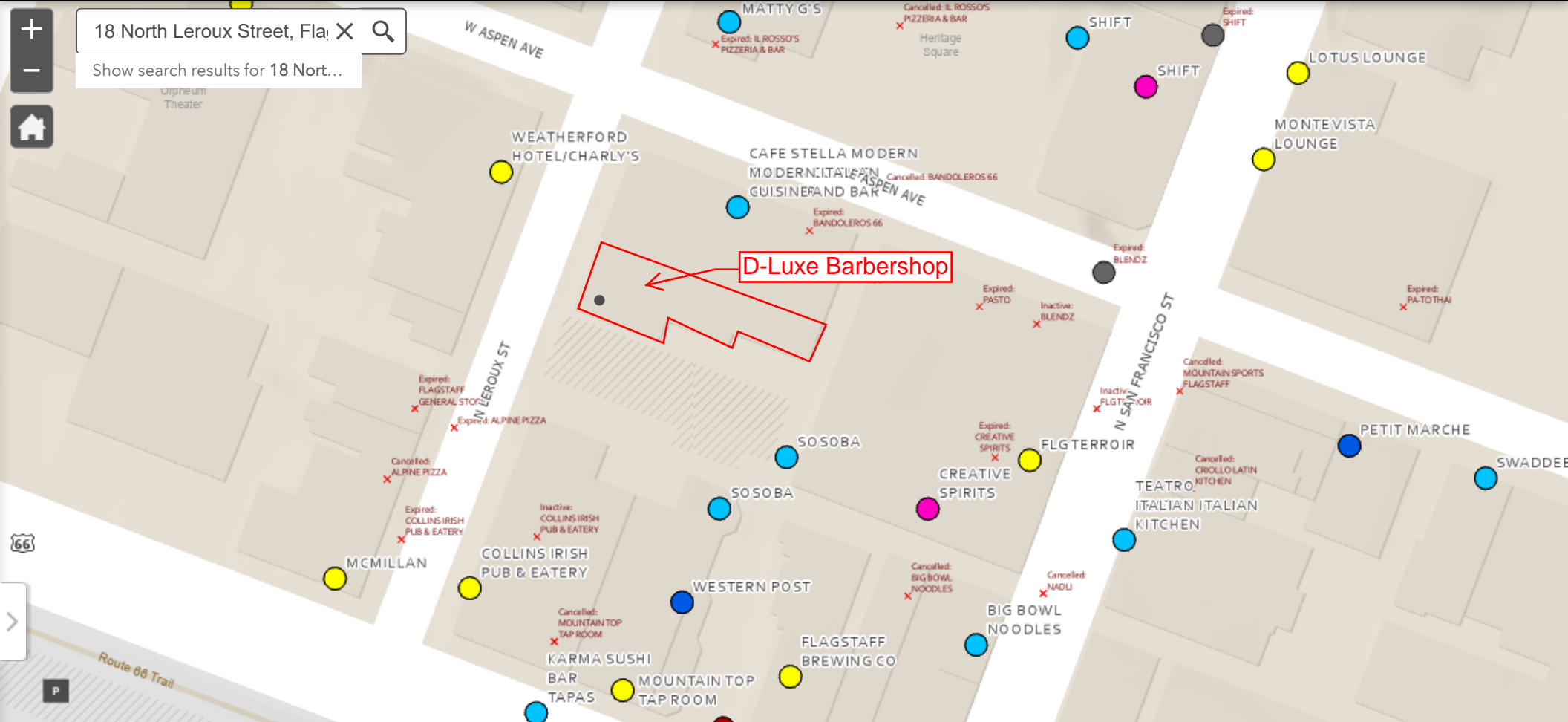
This application is a request for a Location/Owner transfer Series 7 Beer & Wine Bar liquor license by Mikal Charles Antunez on behalf of D-Luxe Barbershop. This business is located within the Central Business district. This district does allow for this use.

There are no active Zoning Code violations associated with the applicant or the property at this time.



18 North Leroux Street, Fla... X Q

Show search results for 18 Nort...



**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Sam Beckett, Public Works Streets Section Director  
**Co-Submitter:** Scott Overton  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024



**TITLE:**

**Consideration and Approval of Contract:** Purchase of two (2) 10-Wheel Snowplow Dump Trucks from RWC Group LLC

**STAFF RECOMMENDED ACTION:**

1. Approve the equipment purchase for two (2) 2025 International HX520 SFA Heavy Duty plow trucks from RWC Group, LLC in the amount of \$782,210.11 through cooperative purchase contract #CTR069476 with the Arizona Department of Administration, State procurement office and;
2. Authorize the City Manager to execute the necessary documents.

**Executive Summary:**

Public Works - Streets Section is responsible for the timely snow plowing and added ice traction response on our City owned transportation network. Response to snow events is critical to maintain the safest travel possible on City streets. These trucks are replacements to existing Streets trucks that have far past met their sustainable life with the city. These 10-wheel trucks are also key in summer maintenance operations for dirt road repair, shoulder work, asphalt/pothole repair and general material hauling. In recent years these trucks have been critical to the success of our flood mitigation efforts and debris removal. The trucks have been recommended and approved by the Fleet Management Committee (FMC) and Budget Committee for the requested action.

**Financial Impact:**

Project Name: Two (2) Streets 10-wheel Plow Trucks

Cost: \$782,210.11

Account Number Budgeted: 040-06-161-0614-6-4401

FY Budgeted Amount: \$620,000.00. Due to inflation and updated emissions equipment the price for each truck has increased. The remaining fund capacity of \$162,210.11 is in GL 040-06-162-3073-6-4443

Funding Source: Highway User Revenue Funds (HURF)

**Policy Impact:**

Snow operations are a substantial element of the Streets work program. The City's Snow Operations Manual maps the entire community by zone. Equipment and operators are tasked with the plowing of snow for over 700 lane miles of City owned roadways. This operation can last a few days to over a week depending on the snow event or weather conditions. In addition to plowing, we use this equipment to apply traction assistance product. In summer months this truck is used in a dump truck capacity for hauling operations. This equipment directly supports City policy to provide snow plowing for City owned roadways along with summer maintenance operations.

**Previous Council Decision or Community Discussion:**

No

**Options and Alternatives to Recommended Action:**

N/a

**Background and History:**

The Purchasing section has reviewed the competitively solicited cooperative purchase options available and confirmed that the Arizona Department of Transportation (ADOT) conducted a competitive and open procurement process through Request for Proposal Solicitation No. BPM005536 that resulted in Contract No. CTR069476 with RWC International LTD. This contract has been verified as valid and appropriate for the purchase of the specified vehicles and presents the best value to the City.

**Connection to PBB Priorities and Objectives:**

Provide, manage, and maintain effective infrastructure for multimodal and active transportation

**Connection to Regional Plan:**

N/A

**Connection to Carbon Neutrality Plan:**

These trucks align with the City's goal to produce less carbon emissions while still providing the highest levels of service to our community. These new trucks have advance emissions systems as well as diesel exhaust particulate filter design to significantly reduce carbon out put.

**Connection to 10-Year Housing Plan:**

N/A

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**Attachments:**    [Contract # 2024-175 - RWC](#)  
                          [Exhibit A - City of Flagstaff 10 wheeler plows 2 units State Contract CTR069476](#)  
                          [Exhibit B1 - CTR069476\\_Contract\\_Documents \(1\)](#)  
                          [Exhibit B2 - CTR069476 Pricing](#)

## COOPERATIVE PURCHASE CONTRACT

Contract No. 2024-175

This Cooperative Purchase Contract is made and entered into this \_\_\_\_\_ day of June 2024 by and between the City of Flagstaff, Arizona, a political subdivision of the State of Arizona ("City") and **RWC Group, an Arizona Corporation, DBA RWC International** ("Contractor").

### RECITALS:

- A. Contractor is a fully authorized vendor of 2025 HX520 SFA Trucks.
- B. The State of Arizona, Procurement Department, Public Sector conducted a competitive and open procurement process through Request for Proposal Solicitation No. BPM005536 that resulted in Contract No. CTR069476 with Contractor ("Agency Contract"); and
- C. The City has authority to enter into a cooperative purchase contract with Contractor utilizing the Agency Contract.

### AGREEMENT:

NOW THEREFORE, in consideration for the mutual promises contained herein, the Parties agree as follows:

1. Materials and or Services Purchased: Contractor shall provide to the City the materials and or services, as specified in the Sales Proposal attached as Exhibit A, and in accordance with the Agency Contract. A general description of materials and/or services being purchased is:  

**(2) 2025 HX520 SFA Trucks Ten (10) Wheel Trucks**
2. Specific Requirements of City: Contractor shall comply with all specific purchase and delivery requirements and/or options of City, as specified in Exhibit A and incorporated by reference.
3. Payment: Payment to Contractor for the materials and or services provided for will be in the amount **seven hundred, eighty-two thousand two hundred ten dollars and eleven cents (\$782,210.11)**; made in accordance with the price list and terms set forth in the Agency Contract.
4. Terms and Conditions of Agency Contract Apply: All provisions of the Agency Contract documents attached as Exhibit B, including any amendments, are incorporated in and shall apply to this Contract as though fully set forth herein. Contractor is responsible for promptly notifying City in writing of any changes to the Agency Contract, including, specifically changes in price for materials and/or services.
5. Certificates of Insurance: All insurance provisions of the Agency Contract shall apply, including any requirement to name the City as an additional insured. Prior to commencing performance under this Contract, Contractor shall furnish City with a copy of the current Certificate of Insurance required by the Agency Contract.
6. Term: This Cooperative Purchase Contract shall commence upon execution by the Parties and shall continue until expiration or termination of the underlying Agency Contract, unless sooner terminated by City in writing.

7. Notice: Any formal notice required under the Contract shall be in writing and sent by certified mail and email as follows:

To the City:

Samuel Beckett  
City of Flagstaff  
211 W. Aspen Ave.  
Flagstaff, AZ 86001  
Samuel.Beckett@flagstaffaz.gov  
Phone: (928) 213-2105

To Contractor:

RWC Group  
Mary R Wilson  
600 North 75th Avenue  
PHOENIX AZ 85043  
(602) 307-1050

With a copy to:

Emily Markel  
City of Flagstaff  
211 W. Aspen Ave.  
Flagstaff, AZ 86001  
EMarkel@flagstaffaz.gov  
Phone: (928) 213-2276

8. Authority: Each Party warrants that it has authority to enter into the Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into the Contract.

**RWC Group**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**CITY OF FLAGSTAFF**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
City Attorney's Office

Notice to Proceed issued: \_\_\_\_\_, 20\_\_



**EXHIBIT A**  
**SALES PROPOSAL**  
(attached)

1. Quote for (2) 2025 HV520 SFA Trucks - 12 pages

**EXHIBIT B**  
**AGENCY CONTRACT**  
(attached)

1. ADOT Contract #CTR069476 - 77 pages
2. Contract price sheet - 1 page



# **Hx520 SFA**

Sales Proposal For:  
**CITY OF FLAGSTAFF**

Presented By:  
**RWC Group**

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**Prepared For:**  
CITY OF FLAGSTAFF  
Mike Stress  
211 WEST ASPEN AVE.  
FLAGSTAFF, AZ 86001-  
(928)779 - 7619  
Reference ID: revised new emi

**Presented By:**  
RWC Group  
Mary R Wilson  
600 North 75th Avenue  
PHOENIX AZ 85043 -  
(602)307-1050

Thank you for the opportunity to provide you with the following quotation on a new International truck. I am sure the following detailed specification will meet your operational requirements, and I look forward to serving your business needs.

**Model Profile**  
**2025 HX520 SFA (HX520)**

<b>AXLE CONFIG:</b>	6X4
<b>APPLICATION:</b>	Front Plow with spreader
<b>MISSION:</b>	Requested GVWR: 66000. Calc. GVWR: 66000. Calc. GCWR: 140000 Calc. Start / Grade Ability: 32.07% / 2.87% @ 55 MPH Calc. Geared Speed: 79.2 MPH
<b>DIMENSION:</b>	Wheelbase: 240.00, CA: 150.00, Axle to Frame: 63.00
<b>ENGINE, DIESEL:</b>	{Cummins X15 470V} Productivity Series, EPA 2024, 470HP @ 1900 RPM, 1750 lb-ft Torque @ 900 RPM, 2000 RPM Governed Speed, 481 Peak HP (Max)
<b>TRANSMISSION, AUTOMATIC:</b>	{Allison 4500 RDS} 6th Generation Controls, Wide Ratio, 6-Speed with Double Overdrive, with PTO Provision, Less Retarder, Includes Oil Level Sensor, On/Off Highway
<b>CLUTCH:</b>	Omit Item (Clutch & Control)
<b>AXLE, FRONT NON-DRIVING:</b>	{Meritor MFS-20-133A} Wide Track, I-Beam Type, 20,000-lb Capacity
<b>AXLE, REAR, TANDEM:</b>	{Meritor RT-46-164P} Single Reduction, Standard Width, 46,000-lb Capacity, with Lube Oil Pump, Driver Controlled Locking Differential in Forward-Rear and Rear-Rear Axle, 200 Wheel Ends Gear Ratio: 4.56
<b>CAB:</b>	Conventional, Day Cab
<b>TIRE, FRONT:</b>	(2) 425/65R22.5 Load Range L HAC 3 (CONTINENTAL), 465 rev/mile, 68 MPH, All-Position
<b>TIRE, REAR:</b>	(8) 11R22.5 Load Range G ENDURANCE RSA (GOODYEAR), 496 rev/mile, 75 MPH, All-Position
<b>SUSPENSION, REAR, TANDEM:</b>	{Hendrickson HMX EX 460} Walking Beam, 46,000-lb Capacity, 54" Axle Spacing, Rubber Springs, with Transverse Torque Rods, Rubber End Bushings
<b>PAINT:</b>	Cab schematic 100LY Location 1: 9219, Winter White (Std) Chassis schematic N/A

<u>Code</u>	<u>Description</u>	<u>F/R Wt</u> (lbs)	<u>Tot Wt</u> (lbs)
HX52000	Base Chassis, Model HX520 SFA with 240.00 Wheelbase, 150.00 CA, and 63.00 Axle to Frame.	8886/7472	16358

**AXLE CONFIGURATION**

1AND	AXLE CONFIGURATION {Navistar} 6x4 <u>Notes</u> : Pricing may change if axle configuration is changed.	133/215	348
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**ENGINE**

12EWY	ENGINE, DIESEL {Cummins X15 470V} Productivity Series, EPA 2024, 470HP @ 1900 RPM, 1750 lb-ft Torque @ 900 RPM, 2000 RPM Governed Speed, 481 Peak HP (Max)	0/0	0
12VJT	EMISSION, CALENDAR YEAR {Cummins X15} EPA, OBD and GHG Certified for Calendar Year 2024	0/0	0
12XCP	CARB EMISSION WARR COMPLIANCE for Cummins X15 Engines Less than or Equal to 500 HP	0/0	0
12WZJ	CARB IDLE COMPLIANCE Low NOx Idle Engine, Complies with California Clean Air Regulations; Includes "Certified Clean Idle" Decal located on Driver Door	0/0	0
12WVG	EPA IDLE COMPLIANCE Low NOx Idle Engine, Complies with EPA Clean Air Regulations; Includes "Certified Clean Idle" Decal on Hood	0/0	0
10UAG	VEHICLE REGISTRATION IDENTITY ID for Other State << This new vehicle contains a non-Mitigated Legacy Engine and must be registered outside of the State of California. You may be held liable under California law for failure to properly register or otherwise failing to follow California law >> <u>Notes</u> : CANNOT BE REGISTERED IN CALIFORNIA. For vehicles that will be registered in States other than California.	0/0	0
12XBN	RADIATOR Aluminum, Welded, Cross Flow, Front to Back System, 1084 SqIn, with 866 SqIn Charge Air Cooler <u>Includes</u> : RADIATOR HOSES Premium, Rubber	0/0	0
12THT	FAN DRIVE {Horton Drivemaster} Two-Speed Type, Direct Drive, with Residual Torque Device for Disengaged Fan Speed <u>Includes</u> : FAN Nylon	0/0	0
12VCC	AIR CLEANER Single Element, with Integral Pre-Cleaner, Integral Snow Valve and In-Cab Control, Engine Mounted	1/0	1
12703	ANTI-FREEZE Red, Extended Life Coolant; To -40 Degrees F/ -40 Degrees C, Freeze Protection	0/0	0
12WCT	BLOCK HEATER, ENGINE {Phillips} 120V/1500W, with "Y" Cord for Fuel Heater <u>Includes</u> : BLOCK HEATER SOCKET Receptacle Type; Mounted below Drivers Door	2/0	2
12991	COLD STARTING EQUIPMENT Automatic Ether; with Engine ECM Control, Ether Bottle Not Included	0/0	0
12WTA	FAN DRIVE SPECIAL EFFECTS Fan Cooling Ring with Fan Shroud Effects, Engine Mounted	0/0	0
12WCX	HOSE CLAMPS, RADIATOR HOSES {Gates} Shrink Band Type	0/0	0
12WYZ	RADIATOR DRAIN & FILL FITTING SPECIAL; To Vacuum Out or Fill the Cooling System from the Bottom of Radiator, for Use with Quick-Connect Radiator Drain Tool or Shop Coolant Evacuation-Fill System	0/0	0

**TRANSMISSION**

<u>Code</u>	<u>Description</u>	<u>F/R Wt</u> (lbs)	<u>Tot Wt</u> (lbs)
13BEK	TRANSMISSION, AUTOMATIC {Allison 4500 RDS} 6th Generation Controls, Wide Ratio, 6-Speed with Double Overdrive, with PTO Provision, Less Retarder, Includes Oil Level Sensor, On/Off Highway	170/78	248
13WUC	ALLISON SPARE INPUT/OUTPUT for Rugged Duty Series (RDS) and Regional Haul Series (RHS), General Purpose Trucks, Construction, Package Number 223	0/0	0
13WVV	NEUTRAL AT STOP Allison Transmission Shifts to Neutral When Service Brake is Depressed and Vehicle is at Stop; Remains in Neutral Until Service Brake is Released	0/0	0
13WCT	OIL COOLER, TRANSMISSION {Champ} Remote Mounted, for Automatic Transmission	0/0	0
13WDZ	SHIFT CONTROL PARAMETERS {Allison} 3000 or 4000 Series Transmissions, S1 Performance in Primary and Fixed Programming in Secondary	0/0	0
13WLM	TRANSMISSION OIL Synthetic; 63 thru 76 Pints	0/0	0
13WET	TRANSMISSION SHIFT CONTROL Column Mounted Stalk Shifter, Not for Use with Allison 1000 & 2000 Series Transmission	1/0	1

**CLUTCH**

11001	CLUTCH Omit Item (Clutch & Control)	-105/-28	-133
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**REAR AXLES, SUSPENSIONS**

14HRE	AXLE, REAR, TANDEM {Meritor RT-46-164P} Single Reduction, Standard Width, 46,000-lb Capacity, with Lube Oil Pump, Driver Controlled Locking Differential in Forward-Rear and Rear-Rear Axle, 200 Wheel Ends . Gear Ratio: 4.56	0/514	514
14UMX	SUSPENSION, REAR, TANDEM {Hendrickson HMX EX 460} Walking Beam, 46,000-lb Capacity, 54" Axle Spacing, Rubber Springs, with Transverse Torque Rods, Rubber End Bushings	0/37	37
14WCR	TRANSVERSE TORQUE RODS {Hendrickson} TRAAX Rod, Transverse Only	0/-8	-8

**FRONT AXLES**

2ARY	AXLE, FRONT NON-DRIVING {Meritor MFS-20-133A} Wide Track, I-Beam Type, 20,000-lb Capacity	186/0	186
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**FRONT SUSPENSIONS**

3ADJ	SUSPENSION, FRONT, SPRING Parabolic Taper Leaf, Shackle Type, 20,000-lb Capacity, Steel Springs 18K Capacity and (2) Rubber Auxiliary Springs 2K Capacity, Less Shock Absorbers	171/0	171
3772	SHOCK ABSORBERS, FRONT for Suspensions 20,000-lb Capacity and Above	79/0	79

**CABS, COWLS, BODIES**

16030	CAB Conventional, Day Cab <u>Includes</u> : CAB REAR SUSPENSION Air : CLEARANCE/MARKER LIGHTS (5) LED Roof Mounted : COAT HOOK, CAB Located on Rear Wall, Centered Above Rear Window : CONSOLE, CENTER Includes Two Cup Holders and One Additional Storage Area : CONSOLE, OVERHEAD Molded Plastic with Dual Storage Pockets, Retainer Nets and CB Radio Pocket; Located Above Driver and Passenger : COURTESY LIGHT (2) Driver and Passenger Door Mounted : DOME LIGHT, CAB Rectangular, Door and Instrument Panel Mounted Switch Activated, Timed Theater Dimming, Center Mounted, Integral to Console : FLOOR COVERING Rubber, Black : GLASS, ALL WINDOWS Tinted	0/0	0
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<u>Code</u>	<u>Description</u>	<u>F/R Wt</u> (lbs)	<u>Tot Wt</u> (lbs)
	: GRAB HANDLE, CAB INTERIOR (1) "A" Pillar Mounted, Passenger Side		
	: GRAB HANDLE, CAB INTERIOR (4) "B" Pillar and Door Mounted, Two Each Side		
	: READING LIGHT, CAB Located in Overhead Console		
	: STORAGE POCKET, DOOR (2) Full Length, Driver and Passenger Door		
16ZJA	ACCESS, CAB Aluminum, Self-Cleaning, Open and Serrated Design, Driver & Passenger Sides, Two Steps per Door, for use with Day Cab, Extended Cab or Sleeper Cab	6/1	7
16BAM	AIR CONDITIONER with Integral Heater and Defroster <u>Includes</u>	0/0	0
	: HOSE CLAMPS, HEATER HOSE Mubea Constant Tension Clamps		
16VKK	CAB INTERIOR TRIM Diamond, for Day Cab	0/0	0
16GEG	GAUGE CLUSTER Premium Level; English with English Electronic Speedometer <u>Includes</u>	0/0	0
	: GAUGE CLUSTER DISPLAY: Base Level (3" Monochromatic Display), Premium Level (5" LCD Color Display); Odometer, Voltmeter, Diagnostic Messages, Gear Indicator, Trip Odometer, Total Engine Hours, Trip Hours, MPG, Distance to Empty/ Refill for		
	: GAUGE CLUSTER Speedometer, Tachometer, Engine Coolant Temp, Fuel Gauge, DEF Gauge, Oil Pressure Gauge, Primary and Secondary Air Pressure		
	: WARNING SYSTEM Low Fuel, Low DEF, Low Oil Pressure, High Engine Coolant Temp, Low Battery Voltage (Visual and Audible), Low Air Pressure (Primary and Secondary)		
16HHE	GAUGE, AIR CLEANER RESTRICTION {Filter-Minder} Mounted in Instrument Panel	2/0	2
16SDC	GRAB HANDLE, EXTERIOR (2) Chrome, Towel Bar Type, with Anti-Slip Rubber Inserts, for Cab Entry Mounted Left and Right Side at B-Pillar	6/0	6
16XJP	INSTRUMENT PANEL Wing Panel	0/0	0
16HKT	IP CLUSTER DISPLAY On Board Diagnostics Display of Fault Codes in Gauge Cluster	0/0	0
16SNP	MIRRORS (2) C-Loop, Power Adjust, Heated, Black Heads and Arms, 7.5" x 14" Flat Glass, Includes 7.5" x 7" Convex Mirrors, for 102" Load Width <u>Notes</u>	3/0	3
	: Mirror Dimensions are Rounded to the Nearest 0.5"		
16SNW	MIRROR, CONVEX, LOOK DOWN Right Side, Black, 6" x 10.5"	3/0	3
16SBY	MIRROR, CONVEX, HOOD MOUNTED SPECIAL, Wiring Only for Right Side Heated Mirror, Does Not Include Mirror or Mounting Brackets	5/0	5
16XRX	MODESTY PANEL Painted	0/0	0
16VLV	MONITOR, TIRE PRESSURE Omit	-9/-2	-11
16VCC	SEAT BELT All Orange; 1 to 3	0/0	0
16LWK	SEAT, DRIVER {ISRI} Series 300, Air Suspension, High Back, Vinyl, Single Chamber Lumbar, Inboard Armrest, Suspension Cover, Fore/Aft Isolator, Cushion Extension, Seat Tilt	0/0	0
16LUM	SEAT, PASSENGER {National} Non Suspension, High Back with Integral Headrest, Vinyl, with Fixed Back, with Under Seat Storage	28/12	40
16WJU	WINDOW, POWER (2) and Power Door Locks, Left and Right Doors, Includes Express Down Feature	0/0	0
16XWJ	WINDSHIELD WIPER BLADES Winter Type	2/0	2
<b>FRAMES</b>			
1CGD	FRAME RAILS Heat Treated Alloy Steel (120,000 PSI Yield); 12.50" x 3.750" x 0.500" (317.5mm x 95.25mm x 12.7mm); 480.8" (12212mm) Maximum OAL	317/444	761
1LPG	BUMPER, FRONT Gull Wing, Aluminum, Stainless Steel Clad, Heavy Duty	0/0	0
1AMS	CROSSMEMBER, FRAME TIE for Heavy Duty	52/4	56
1652	CROSSMEMBER, REAR Relocated to End of Frame	-16/81	65
1WCP	FRAME EXTENSION, FRONT Integral; 27" in Front of Grille, Includes Crossmember for Front PTO	179/-22	157

<u>Code</u>	<u>Description</u>	<u>F/R Wt</u> (lbs)	<u>Tot Wt</u> (lbs)
1WRZ	TOW HOOK, REAR (2) Frame Mounted; 80,000-lb. Total Capacity	-8/41	33
1WXD	WHEELBASE RANGE 211" (535cm) Through and Including 256" (650cm)	117/-117	0

**BRAKES**

4091	BRAKE SYSTEM, AIR Dual System for Straight Truck Applications <u>Includes</u> : BRAKE LINES Color and Size Coded Nylon : PARKING BRAKE CONTROL Yellow Knob, Located on Instrument Panel : PARKING BRAKE VALVE For Truck : QUICK RELEASE VALVE On Rear Axle for Spring Brake Release: 1 for 4x2, 2 for 6x4 : SPRING BRAKE MODULATOR VALVE SR-7 with relay valve for 6x4/8x6	0/0	0
4AZJ	AIR BRAKE ABS {Bendix AntiLock Brake System} 4-Channel (4 Sensor/4 Modulator) Full Vehicle Wheel Control System, with Automatic Traction Control	0/0	0
4GBM	BRAKE, PARKING Manual Push-Pull Pneumatic Parking Brake	1/0	1
4XDT	BRAKES, FRONT {Meritor 16.5X6 Q-PLUS CAST} Air S-Cam Type, Cast Spider, Fabricated Shoe, Double Anchor Pin, Size 16.5" X 6", 23,000-lb Capacity	33/0	33
4EXV	BRAKE CHAMBERS, FRONT AXLE {Bendix} 24 SqIn	4/0	4
4LAG	SLACK ADJUSTERS, FRONT {Gunitite} Automatic	14/0	14
4WBX	DUST SHIELDS, FRONT BRAKE for Air Cam Brakes	10/0	10
4XDR	BRAKES, REAR {Meritor 16.5X7 Q-PLUS CAST} Air S-Cam Type, Cast Spider, Fabricated Shoe, Double Anchor Pin, Size 16.5" X 7", 23,000-lb Capacity per Axle	0/104	104
4EXU	BRAKE CHAMBERS, REAR AXLE {Bendix EverSure} 30/30 SqIn Spring Brake	0/14	14
4LGG	SLACK ADJUSTERS, REAR {Gunitite} Automatic	0/28	28
4WDM	DUST SHIELDS, REAR BRAKE for Air Cam Brakes	0/20	20
4XEE	PARK BRAKE CHAMBERS, ADDITIONAL (2) Spring Brake Type	0/30	30
4SPA	AIR COMPRESSOR {Cummins} 18.7 CFM	0/0	0
4EDM	AIR DRYER {Bendix AD-HF} with Heater, Includes Pressure Protection Circuits, Safety Valve, Integral Purge Tank, Governor Pressure Settings 110 psi Cut-In/130 psi Cut-Out, Integrated PuraGuard Coalescing Filtration	0/0	0
4VKC	AIR DRYER LOCATION Mounted Inside Left Rail, Back of Cab	0/0	0
4VGN	AIR TANK Painted Aluminum, with Straight Thread O-Ring Ports	-20/-8	-28
4VJJ	AIR TANK LOCATION (3) : One Mounted Inside Right Rail, Back of Cab, Two Mounted Between Rails, Back of Cab	0/0	0
4WVL	DRAIN VALVE {Bendix DV-2} (3) Automatic, with Heater, for Air Tanks	0/0	0
4619	TRAILER CONNECTIONS Four-Wheel, with Hand Control Valve and Tractor Protection Valve, for Straight Truck	2/0	2

**STEERING**

5PUB	STEERING GEAR (2) {Sheppard M100/HD94} Dual Power	103/-4	99
5710	STEERING COLUMN Tilting and Telescoping	0/0	0
5CAW	STEERING WHEEL 4-Spoke; 18" Dia., Black	0/0	0

**DRIVELINES**

6DGX	DRIVELINE SYSTEM {Dana Spicer} Service Free SPL250 Main Driveline with SPL170 Interaxle Shaft, for 6x4	0/0	0
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**EXHAUST SYSTEMS**

7BLY	EXHAUST SYSTEM Horizontal Aftertreatment System, Frame Mounted Right Side Under Cab, for Single Vertical Tail Pipe, Cab Mounted Right Side	0/0	0
7BES	AFTERTREATMENT COVER Polished Aluminum	9/2	11
7SAP	ENGINE COMPRESSION BRAKE {Cummins} Interbrake For Cummins Signature/ ISX/X15 Engines; Furnished with Engine	0/0	0



<u>Code</u>	<u>Description</u>	<u>F/R Wt</u> (lbs)	<u>Tot Wt</u> (lbs)
7WDM	EXHAUST HEIGHT 10'	0/0	0
7WDN	MUFFLER/TAIL PIPE GUARD (1) Aluminum	12/8	20
7WDT	TAIL PIPE (1) Straight Type	0/0	0

**ELECTRICAL SYSTEMS**

8000	ELECTRICAL SYSTEM 12-Volt, Standard Equipment <u>Includes</u> : HAZARD SWITCH Push On/Push Off, Located on Instrument Panel to Right of Steering Wheel : HEADLIGHT DIMMER SWITCH Integral with Turn Signal Lever : PARKING LIGHT Integral with Front Turn Signal and Rear Tail Light : STARTER SWITCH Electric, Key Operated : STOP, TURN, TAIL & B/U LIGHTS Dual, Rear, Combination with Reflector : WINDSHIELD WIPER SWITCH 2-Speed with Wash and Intermittent Feature (5 Pre-Set Delays), Integral with Turn Signal Lever : WINDSHIELD WIPERS Single Motor, Electric, Cowl Mounted	0/0	0
12VYL	ACCESSORY WIRING, SPECIAL for Road Speed Wire Coiled Under Instrument Panel for Customer Use	0/0	0
8GXJ	ALTERNATOR {Leece-Neville AVI160P2013} Brush Type, 12 Volt, 160 Amp Capacity, Pad Mount	0/0	0
8RPP	ANTENNA Shark Fin, Roof Mounted	1/0	1
8THB	BACK-UP ALARM Electric, 102 dBA	0/3	3
8VUK	BATTERY BOX Aluminum, with Plastic Cover, 18" Wide, 2-4 Battery Capacity, Mounted Right Side Back of Cab	0/0	0
8RLZ	BATTERY DISCONNECT SWITCH {Cole-Hersee 75920-06} 300 Amp, Disconnects Cab Power, Does Not Disconnect Charging Circuits, Locks with Padlock, Battery Box Mounted	0/0	0
8MJU	BATTERY SYSTEM {Fleetrite} Maintenance-Free, (3) 12-Volt 2850CCA Total, Top Threaded Stud	13/9	22
8XMA	BEACON MOUNTING BRACKET (2) Stainless, For Customer Furnished Beacon; Includes Wiring and Dash Mounted Switch	9/4	13
8HAE	BODY BUILDER WIRING Rear of Frame; Includes Sealed Connectors for Tail/ Amber Turn/Marker/ Backup/Accessory Power/Ground and Sealed Connector for Stop/Turn	3/0	3
8RNC	CB RADIO Accommodation Package, Header Mounted, Feeds from Accessory Side of Ignition Switch, Includes Power Source, Two Antennas and Antenna Bases with Wiring on Both Side Mirrors	0/0	0
8RGA	2-WAY RADIO Wiring Effects; Wiring with 20 Amp Fuse Protection, Includes Ignition Wire with 5 Amp Fuse, Wire Ends Heat Shrink and Routed to Center of Header Console in Cab	1/0	1
8XAH	CIRCUIT BREAKERS Manual-Reset (Main Panel) SAE Type III with Trip Indicators, Replaces All Fuses	0/0	0
8HAH	ELECTRIC TRAILER BRAKE/LIGHTS Accommodation Package to Rear of Frame; for Combined Trailer Stop, Tail, Turn, Marker Light Circuits; Includes Electric Trailer Brake Accommodation Package with Cab Connections for Mounting Customer Installed Electric Brake Unit, Less Trailer Socket	0/2	2
8WXB	HEADLIGHT WARNING BUZZER Sounds When Head Light Switch is on and Ignition Switch is in "Off" Position	0/0	0
8XNY	HEADLIGHTS Halogen	0/0	0
8WRB	HEADLIGHTS ON W/WIPERS Headlights Will Automatically Turn On if Windshield Wipers are Turned On	0/0	0
8836	HORN, AIR (2) Single Bell, Organ Tone, Extra Long, Chrome	4/0	4
8VAY	HORN, ELECTRIC Disc Style	0/0	0
8RPS	RADIO AM/FM/WB/Clock/Bluetooth/USB Input/Auxiliary Input	3/0	3
8695	SNOW SHIELD (2) Chrome; for Dual Air Horns	1/0	1

<u>Code</u>	<u>Description</u>	<u>F/R Wt</u> (lbs)	<u>Tot Wt</u> (lbs)
8RBZ	SPEAKER, AUXILIARY, CB RADIO with Jack for CB; Mounted Left Side Above Driver's Door	0/0	0
8RMV	SPEAKERS (2) 6.5" Dual Cone Mounted in Doors	0/0	0
8WTL	STARTING MOTOR {Delco Remy 39MT} 12 Volt, Gear Reduced, with Thermal Over-Crank Protection	1/0	1
8TKJ	STOP, TURN, TAIL & B/U LIGHTS {Truck Lite} Super 44, with LED Lights for Stop, Turn, Tail and Backup Lights, with Power Module, "International" Termination and Less Junction Box, Includes License Plate Light	-1/9	8
8WPZ	TEST EXTERIOR LIGHTS Pre-Trip Inspection will Cycle all Exterior Lamps Except Back-up Lights	0/0	0
8TKK	TRAILER AUXILIARY FEED CIRCUIT for Electric Trailer Brake Accommodation/Air Trailer ABS; with 30 Amp Fuse and Relay, Controlled by Ignition Switch	1/0	1
8WEZ	TURN SIGNAL SWITCH Self-Canceling	0/0	0
8WGL	WINDSHIELD WIPER SPD CONTROL Force Wipers to Slowest Intermittent Speed When Park Brake Set and Wipers Left on for a Predetermined Time	0/0	0

**FRONT END**

9ASE	FRONT END Tilting, Composite	0/0	0
9WAC	BUG SCREEN Mounted Behind Grille	5/0	5
9585	FENDER EXTENSIONS Rubber	13/0	13
9HCN	GRILLE Chrome Vertical Accent Bars, with Black Mesh	0/0	0
9AAB	LOGOS EXTERIOR Model Badges	0/0	0
9AAE	LOGOS EXTERIOR, ENGINE Badges	0/0	0

**SPEEDOMETER, TOOLS, MISC**

10AGB	COMMUNICATIONS MODULE Telematics Device with Over the Air Programming; Includes Five Year Data Plan and International 360	0/0	0
10WLC	GCWR RANGE GCWR Equal to or Less than 80,000-lb, Higher GCWR May Result in Reduced Engine Performance While Operating in Extreme Hot Weather Conditions	0/0	0
10NWE	OVER WIDTH IDENTITY Customer Approval, This Combination will Result in Vehicle Width Over 102"	0/0	0
10060	PAINT SCHEMATIC, PT-1 Single Color, Design 100	0/0	0
10761	PAINT TYPE Base Coat/Clear Coat, 1-2 Tone	0/0	0
10SLV	PROMOTIONAL PACKAGE Government Silver Package	0/0	0
10WCY	SAFETY TRIANGLES	5/1	6

**FUEL TANKS**

15SSN	FUEL TANK Non-Polished Aluminum, 24" Dia, 60 US Gal (227L), Mounted Left Side, Under Cab	0/0	0
15WEY	DEF TANK 10.8 US Gal (41L) Capacity, Frame Mounted Outside Left Rail, Under Cab	0/0	0
15LNA	FUEL HEATER {Cummins} Plumbing for Thermal Recirculation Valve (TRV) Mounted to Cummins X15 Engines, Thermostatically Controlled	0/0	0
15LRV	FUEL/WATER SEPARATOR {Davco 386} 120 VAC Plug-In Electric Pre-Heater, 12 VDC Electric Heater, with ESOC Fittings, Includes Water-in-Fuel Sensor	4/0	4

**WHEELS, TIRES - FRONT**

27DUM	WHEELS, FRONT {Accuride 29806} DISC; 22.5x12.25 Rims, Powder Coat Steel, 5-Hand Hole, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut, with Steel Hubs, Offset 4.63"	104/0	104
7752665441	(2) TIRE, FRONT 425/65R22.5 Load Range L HAC 3 (CONTINENTAL), 465 rev/mile, 68 MPH, All-Position	112/0	112

<u>Code</u>	<u>Description</u>	<u>F/R Wt</u> (lbs)	<u>Tot Wt</u> (lbs)
<b>WHEELS, TIRES - REAR</b>			
28DUK	WHEELS, REAR {Accuride 29169} DUAL DISC; 22.5x8.25 Rims, Powder Coat Steel, 5-Hand Hole, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut, with .472" Thick Increased Capacity Disc and Steel Hubs	0/88	88
7372138132	(8) TIRE, REAR 11R22.5 Load Range G ENDURANCE RSA (GOODYEAR), 496 rev/mile, 75 MPH, All-Position	0/-80	-80
<b>BODY INTEGRATION</b>			
60AAG	BDY INTG, REMOTE POWER MODULE Mounted Inside Cab Behind Driver Seat, Up to 6 Outputs & 6 Inputs, Max 20 amp per Channel, Max 80 amp Total; Includes 1 Switch Pack with Latched Switches	0/0	0
60AAT	BDY INTG, ADDITIONAL CAB HOLE for Customer Use	0/0	0
60AKZ	BDY INTG, DASH IND LT TRICOLOR (2) for Optional Usage Customer to Program	0/0	0
60AKG	BDY INTG, PTO ACCOMMODATION for (3) Latched Rocker Switches, (1) PTO Switch, (2) Generic Switches to Control (3) 30 amp relays, with Programmable Interlocks, for Body Builder Hook up in the Engine Compartment Left Side, Recommended for Automatic Transmissions	0/0	0
OBD002	CROSSMEMBER, INTERMEDIATE LOC 0 Cab schematic 100LY Location 1: 9219, Winter White (Std) Chassis schematic N/A	0/0	0
<b>Services Section:</b>			
<b>WARRANTY</b>			
40132	WARRANTY Standard for HX520, HX620, Effective with Vehicles Built January 1, 2021 or Later, CTS-2015B	0/0	0
40NSE	CARB COMPANION PLAN {Navistar} for CARB A26 and X15 Engines	0/0	0
<b>Total Component Weight:</b>		<b>10658/8952</b> (lbs)	<b>19610</b> (lbs)

<u>Code</u>	<u>Description</u>	<u>F/R Wt</u> (lbs)	<u>Tot Wt</u> (lbs)
1	NEW CRYSTEEL SELECT DUMP BODY 150" CA NEEDED 16' LONG X 87" W ID X 96" W OD 8" TALL WESTERN LONGSILLS WITH 5/8" RUBBER WEAR PADS BETWEEN FRAME FRONT WALL IS 58" TALL , 10GA A1011 STEEL , WITH STD 1/2 CAB SHIELD VERTICAL DOGHOUSE HOIST (does not protrude more then 12" into body) TAPERED SIDES 54" - 46" TALL, 7GA A1011 STEEL FLOOR IS 3/16" AR-400 ABRASION RESISTANT STEEL TAILGATE IS 46" TALL, 7-GA A1011 STEEL, STD SWING WITH AIR OP GATE LOCK 10" REAR SPREAD APRON STEPS AND GRAB HANDLE AT DRIVERS SIDE REAR POST HD REAR MUDFLAPS BEHIND DRIVE AXLE LED LIGHTS TO DOT REQUIREMENTS, INCLUDES BODY UP LIGHT INSTALLED COMPLETE PAINTED CUST COLOR HOT SHIFT PTO AND DIRECT MOUNT HYD PUMP FOR ALLISON TRANSMISSION BODY, PLOW & SANDER CONTROL SYSTEM IS FORCE AMERICA 6100 ULTRA CONTROL MONROE 11' FULL MOLDBOARD TRIP, REVERSABLE PLOW. WITH BUILT IN LEVEL LIFT 12" RUBBER SNOW DEFLECTOR, AND CURB GUARD INCLUDED PLOW LIGHTS AND BRACKETS INSTALLED AS APPLICABLE (Truck must have plow light switch) INCLUDES FRONT FOG LIGHTS MONROE 14' STAINLESS STEEL V-BOX SANDER ON SKID ASSEMBLY HEATED (OPTIONAL) 10GA HOPPER, 62" HIGH SIDES, INCLUDES TOP GRATE KITS 10GA TIP UP SPINNER ASSEMBLY SS FOLD UP LADDER IN REAR SS LIGHT BAR AT REAR OF SANDER, INCLUDES STROBE LIGHTS AND WORK LIGHTS INCLUDES SELF LOADING LEG KITS, AND RATCHET / BINDER TIE DOWNS STROBE LED LIGHTS MOUNTED ON CAB GUARD OF DUMP BODY STROBE LED LIGHTS MOUNTED IN REAR POST OF DUMP BODY EACH SIDE ELECTRIC TARP SYSTEM WITH ALUM TARP ARMS AND HD MESH TARP INSTALLED HD REAR HITCH PLATE WITH REMOVABLE, SWIVEL PINTLE HITCH, & BUILT IN CHIP BAR INCLUDES D-RINGS GLAD HANDS AND 7-WAY LIGHT SOCKET. Chassis Chassis will need front frame extensions for plow hitch mount.	0/0	0
2	Centralized air drain drivers side manifold orange  <b>Total Body Allied:</b>	0/0 <b>0/0</b> (lbs)	0 <b>0</b> (lbs)
State Contract	Delivery to Flagstaff State contract	0/0	0
State Contract	State 1%	0/0	0
Norwood	Add front Tow hooks 2 frame mounted 80,000-lb total capacity	0/0	0
	<b>Total Goods Purchased:</b>	<b>0/0</b>	<b>0</b>

The weight calculations included in this proposal are an estimate of future vehicle weight. The actual weight as manufactured may be different from the estimated weight. Navistar, Inc. shall not be liable for any consequences resulting from any differences between the estimated weight of a vehicle and the actual weight.

<u>Description</u>	<u>(US DOLLAR)</u>	<u>Price</u>
Total Factory List Price Including Options:		\$309,626.00
Total Goods Purchased:		\$5,960.95
Total Preparation And Delivery:		\$0.00
Freight Charge	\$3,100.00	
Total Freight:		\$3,100.00
Total Factory List Price Including Freight:		\$318,686.95
Less Customer Allowance:		(\$153,582.82)
Total Vehicle Price:		\$165,104.13
Total Body/Allied Equipment:		\$203,496.30
Total Sale Price:		\$368,600.43
Total Per Vehicle Sales Price:		\$368,600.43
Total For 2 Vehicle Sales:		\$737,200.86
Total Net Sales Excluding Taxes:		\$737,200.86
Arizona Tire Tax, 10 Tires	\$40.00	
Sales Tax, Pima County	\$44,969.25	
Total Taxes:		\$45,009.25
Net Sales Price:		\$782,210.11

State Contract CTR069476

If applicable, Federal Excise Tax (FET) is included in the net sales price above.

Terms of payment are cash on delivery and prices quoted are FOB Phoenix, AZ (unless otherwise noted).

This quote is good for 30 days. All inventory units are subject to prior sale. Unless otherwise noted, the quote above does NOT include title and licensing charges or Arizona state sales tax.

Please feel free to contact me regarding these specifications should your interests or needs change. I am confident you will be pleased with the quality and service of an International vehicle.

**Approved by Seller:**

**Accepted by Purchaser:**

\_\_\_\_\_  
**Official Title and Date**

\_\_\_\_\_  
**Firm or Business Name**

\_\_\_\_\_  
**Authorized Signature**

\_\_\_\_\_  
**Authorized Signature and Date**

**This proposal is not binding upon the seller without Seller's Authorized Signature**

\_\_\_\_\_  
**Official Title and Date**

**The TOPS FET calculation is an estimate for reference purposes only. The seller or retailer is responsible for calculating and reporting/paying appropriate FET to the IRS.**

**The limited warranties applicable to the vehicles described herein are Navistar, Inc.'s standard printed warranties which are incorporated herein by reference and to which you have been provided a copy and hereby agree to their terms and conditions.**

There is no weight study for this proposal.



# OFFER AND ACCEPTANCE

## OFFER

TO THE STATE OF ARIZONA:

The undersigned hereby offers and agrees to perform in compliance with all terms, conditions, specifications and amendments of this solicitation and any written exceptions in the offer. Signature also acknowledges receipt of all pages indicated in the Table of Contents.

RWC International  
Offeror (Company) Name

600 N, 75th Ave  
Address

Phoenix Arizona 85043  
City State Zip

mwilson@rwgroup.com  
Email Address

jschouten@rwgroup.com  
Company Email Address

Mary Wilson  
Signature of Person Authorized to Sign Offer

Mary Wilson 10.25.2023  
Printed Name Date

Government Truck Specialist  
Title

602-350-1458  
Phone Number

602-307-1051  
Fax Number

By signature in the Offer section above, the Offeror certifies that the submission of the Offer did not involve collusion or other anticompetitive practices.

### ACCEPTANCE OF OFFER (FOR DEPARTMENT USE ONLY)

The Contractor is now bound to perform based upon Contract Number CTR069476 including all terms, conditions, specifications, amendments, etc., and the Contractor's offer as accepted by the state.

The Contractor is hereby cautioned not to commence any billable work or provide any material, service or construction under this contract until contractor receives a purchase order document.

State of Arizona

Effective this 18 day of January 2024

DocuSigned by:  
Pamela Veal 1/12/2024

Procurement Officer Awarded Date



Procurement

STATE OF ARIZONA  
ARIZONA DEPARTMENT OF TRANSPORTATION  
1655 W. Jackson St., MD 100P  
Phoenix, AZ 85007

## REQUEST FOR PROPOSAL

**SOLICITATION NUMBER:** BPM005536

**DESCRIPTION:** Medium and Heavy Duty Cabs, Chassis and Busses

**QUESTIONS:** Inquiries regarding the solicitation are to be submitted online through the State's e-Procurement system, Arizona Procurement Portal (APP) (<https://app.az.gov/>) using the Discussion Forum tab.

**OFFERORS ARE STRONGLY ENCOURAGED TO READ THE ENTIRE SOLICITATION.**

**Tom Kornell**

Senior Procurement Officer

Phone: 602-712-8520

Email: [Tkornell@azdot.gov](mailto:Tkornell@azdot.gov)

This solicitation is issued in accordance with A.R.S. §41-2534 and A.A.C. R2-7-C301 et seq., Competitive Sealed Proposals.

"An Equal Opportunity Agency"

*The Arizona Department of Transportation, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252.42 U.S.C. §§ 2000d-4) and the Americans with Disabilities Act (ADA), hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, national origin in consideration for an award.*

*Persons that require a reasonable accommodation based on language or disability should contact ADOT's Procurement Office by phone (602) 712-7466. Requests should be made as early as possible to ensure the State has an opportunity to address the accommodation.*

*Las personas que requieran asistencia (dentro de lo razonable) ya sea por el idioma o discapacidad deben ponerse en contacto con ADOT (602) 712-7466.*



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## 1. STATEMENT OF NEED

- 1.1. Pursuant to the Arizona Procurement Code, A.R.S. §41-2501 et seq., the State of Arizona Department of Transportation (Department), has a requirement for Medium and Heavy Duty Cabs, Chassis and Busses.

## 2. INTRODUCTION AND BACKGROUND

- 2.1. The State of Arizona Department of Transportation (Department) is seeking to contract with a qualified supplier(s) who can provide Medium and Heavy Duty Cabs, Chassis and Busses (all fuel types, hybrid, and full electric) including but not limited to: Trucks and Vans over 19,500 GVWR and Busses for the State of Arizona and participating Eligible Agencies. These vehicles will be used to support official organizational goals. These vehicles will be used on highways, city/county roads and shall be designed to operate under typical Arizona ambient temperatures.
- 2.2. The State and its Eligible Agencies currently spend an estimated 30 million dollars in the purchase of Medium and Heavy Duty Cabs, Chassis and Busses annually.

## 3. GENERAL REQUIREMENTS

- 3.1. The following are the Three categories covered in this Scope of Work:

1. **Category One: Phase One (1) Cab, Chassis and Busses Purchases**
2. **Category Two: Phase Two (2) Off the Lot Cab, Chassis and Busses Purchases**
3. **Category Three: FTA ( If the Contractor chooses not to bid on the FTA Portion of the contract, They may still bid on the Solicitation)**

- 3.2. Medium and Heavy Duty Cabs, Chassis and Busses shall be new and supplied with all equipment and accessories indicated as standard equipment in the manufacturer's published literature (or website). Optional equipment necessary to meet the minimum requirements shall be included.
- 3.3. All Medium and Heavy Duty Cabs, Chassis and Busses ordered through Phase 1 (off the line) shall be Manufacturer's current year models in production throughout the term of this contract and shall be serviced completely by the Contractor before delivery and ready in all respects for use. For the initial contract period; vehicles shall be new model year 2023 or greater.
- 3.4. Medium and Heavy Duty Cabs, Chassis and Busses ordered through Phase 2 (on the lot) shall be new (have never been previously owned) unless pre-approved in writing by the Eligible Agency.
- 3.5. All Medium and Heavy Duty Cabs, Chassis and Busses shall meet requirements of applicable Arizona Motor Vehicle laws and all other applicable Federal Motor Vehicle Safety Standards (including the Federal Bridge Formula), whether or not such requirements are specified in detail.
- 3.6. For Phase Two (2) Medium and Heavy Duty Cabs, Chassis and Busses, the Contractor shall supply a quote within five (14) calendar days after receiving a request from the Eligible Agency. The quotation shall include but not be limited to the following information: State contract number,

vehicle availability and delivery lead-time, Vehicle Identification Number (VIN), dealer stock number, vehicle base bid price, itemized options, applicable tax, delivery cost, total price, and point of contact. For vehicles requiring up-fit/modifications, all applicable cost may be included in quotation or as a separate quotation.

- 3.10 For Phase One (1) the Contractor shall confirm vehicles have been ordered unless impossible due to manufacture delay within ninety (90) calendar days after receipt of a purchase order. If confirmation is not received within this timeframe the Eligible Agency has the option to award to the second lowest bidder meeting specifications. This shall be considered a mandatory requirement and the timeframe must be met unless there is a manufacture delay. Failure to provide this document for each vehicle ordered may be cause for determination of default of contract.

#### **4. SPECIFIC REQUIREMENTS**

- 4.1. The Contractors are encouraged to provide a full line of Medium and Heavy Duty Cabs, Chassis and Busses (gasoline, hybrid, full electric) including but not limited to the following categories: Trucks and Vans over 19,500 GVWR and Busses. Eligible Agencies throughout the State will have varying vehicle needs. Contractors are to provide a full line of manufactured Medium and Heavy Duty Cabs, Chassis and Busses and all subsequent variants of each vehicle; including but not be limited to: models and manufacturer options, trim package, etc. to meet each need of an Eligible Agency.
- 4.2. The following fuel types are allowable under this contract are to include but are not limited to.
- 4.2.1. Flexible Fuel Vehicles (FFV) also called Ethanol or E85
  - 4.2.2. Diesel
  - 4.2.3. Gasoline
  - 4.2.4. Compressed Natural Gas (CNG): CNG systems must be O.E.M. or O.E.M. approved
  - 4.2.5. Hybrid-Electric Vehicles (HEV)
  - 4.2.6. Electric Vehicles (EV) also called Battery Electric Vehicles (BEV)
  - 4.2.7. Propane
- 4.3. Vehicle Up-fit / Modifications
- 4.3.1. The Eligible Agency may request the awarded Contractor(s) to up-fit/modify any vehicle for specific organizational needs. For example, Chassis' may require a specialized body (i.e.: dump body, landscape body, etc.). Other cab and chassis' require interior and/or exterior modifications per the individual Eligible Agency's request.
  - 4.3.2. The Eligible Agency will supply all up-fit/modification requests to the Contractor. The Contractor shall identify any conditions that apply to the up-fit/modification on a quotation to the Eligible Agency for review before any work commences.
- 4.4. Minimum Medium and Heavy Duty Cabs, Chassis and Busses Requirements: All prices shall include the following equipment:

- 4.5.1 All standard factory equipment
  - 4.5.2 Automatic transmission [maximum towing/payload capacity shall be provided upon request)
  - 4.5.3 Bluetooth capabilities
  - 4.5.4 AM/FM radio
  - 4.5.5 Cruise Control (if available)
  - 4.5.6 Power Door Locks/Power Windows
  - 4.5.7 Power Mirrors when available
  - 4.5.8 Four (4) entrance tools (in any combination allowed; keyless entry remotes, integrated or smart keys, standard cut keys) per vehicle.
    - a. Type of keys to be provided shall be indicated on quote.
  - 4.5.9 Air conditioning
    - a. Rear air conditioning on all vehicles, when available
  - 4.5.10 Cloth seats
  - 4.5.11 Rear view mirrors including on driver and passenger doors
    - a. Rear view mirrors on driver and passenger front doors, largest available without upgrading vehicle options package.
    - b. Back up Camera (if requested by the Eligible Agency or Cooperative)
  - 4.5.12 Arizona legal tinted glass
  - 4.5.13 Minimum of 1 USB charging Ports
  - 4.5.14 Front tow hooks (Specific Requirements for Trucks only when available)
- 4.5. Decals – Decals or markings of any type pertaining to advertisement other than those installed by the manufacturer such as name and model shall not be attached to any vehicle.
- 4.6. Fluid Requirements – Contractor shall be responsible for notifying the eligible agency of special fluid requirements that are necessary to maintain standard and extended warranties and service agreements i.e. transmission fluid, anti- freeze, oils and lubricants that must be Original Equipment Manufacturer (OEM) only.
- 4.7. Service Requirements – All vehicles shall be completely assembled, serviced, adjusted and all equipment including standard and optional equipment shall be installed and the units made ready for continuous operation. Servicing requirements shall include, but not limited to, the following:
- 4.7.1. Complete lubrication
  - 4.7.2. Checking of all fluid levels to insure that they are filled to the manufacturer’s recommended capacity
  - 4.7.3. Full tank(s) of fuel and DEF (diesel exhaust fluid) if required, less delivery fuel and DEF
  - 4.7.4. Engine adjustment to proper operation condition
  - 4.7.5. Tire inflation to correct pressure
  - 4.7.6. Checking of all mechanical and electrical operations
  - 4.7.7. Checking for any appearance defects
  - 4.7.8. Cleaning, removal of all unnecessary tags and stickers, washing if necessary
- 4.8. Special Title Requirement – There may be a requirement for the title on some vehicles purchased to be titled to other than the ordering eligible agency. The State has programs that require

equipment purchased from special funds be returned to the State’s communities. These purchases will be made for authorized political subdivisions.

**5. DELIVERY**

- 5.1. Delivery location shall be identified on the issuing agency purchase order. Dealer shall notify the Eligible agency with an estimated delivery date. If factory delays make this impossible for the dealer to deliver when estimated, dealer shall notify the Eligible agency of such delays along with a revised delivery estimate from the factory immediately after it becomes known.
- 5.2. All deliveries shall be made Monday through Friday from 8:00 A.M. to 2:00 P.M. The Contractor shall be required to give the using agency a minimum of 24-hour notification prior to delivery with the anticipated time of delivery and number of units to be delivered.
- 5.3. All vehicles shall be delivered with four (4) entrance tools and a full tank(s) of fuel, less delivery fuel.
- 5.4. The following documents shall be provided upon delivery of the Medium and Heavy Duty Cabs, Chassis and Buses:
  - 5.4.1 M.S.O. (Manufacturer Statement of Origin) that includes the odometer statement
  - 5.4.2 Warranty Document
  - 5.4.3 Delayed warranty / in service start request form (if requested by ordering entity)
  - 5.4.4 Level 1 Inspection if applicable, completed before delivery

**6. CONTRACTOR’S RESPONSIBILITIES**

- 6.1. Contractor shall be responsible for processing the registration, licensing, title and plating of all Medium and Heavy Duty Cabs, Chassis and Buses ordered only if requested by the Eligible Agency.
- 6.2. The Contractor shall include delivery at no cost to the eligible agencies within the same county as the contractor resides. The contractor may include a delivery fee for any county outside of the dealer’s county. Any delivery fees shall be a flat rate charge per county and indicated on pricing form attachment.
- 6.3. In addition to section 4.3.2 above quotes will include the vehicle’s MSRP price and the percentage off of MSRP as separate line items.

**7. DEPARTMENT’S RESPONSIBILITIES**

- 7.1. The Eligible Agencies will provide final acceptance and approval of any Medium and Heavy Duty Cabs, Chassis, Buses delivered in a timely manner.

## SPECIAL TERMS AND CONDITIONS

### 1. CONTRACT TERM

The term of any resultant contract shall commence on the effective day of award and shall continue for a period of twelve months (12) thereafter, unless terminated, cancelled or extended as otherwise provided herein.

### 2. CONTRACT EXTENSION

By mutual written contract amendment, any resultant contract may be extended for supplemental periods of up to a maximum of forty-eight (48) months.

### 3. ELIGIBLE AGENCIES

This contract shall be for the use of all State of Arizona departments, agencies and boards. In addition, eligible universities, political subdivisions and nonprofit educational or public health institutions may participate at their discretion. In order to participate in any resultant contract, a university, political subdivision or nonprofit educational or public health institution must have entered into a cooperative purchasing agreement with the State Procurement Office as required by A.R.S. §41-2632. This cooperative purchasing agreement must be in effect at the time of order. The Contractor shall verify if an ordering entity is an eligible cooperative purchasing member before selling materials to or providing services for them under the contract. The current list of cooperative purchasing members is available on the State Procurement Office website at

<https://spo.az.gov/suppliers/usage-reporting>.

NOTE: Membership in the State Purchasing Cooperative is open to all Arizona political subdivisions, including cities, counties, school districts, and special districts. Membership is also available to non-profit organizations, other state governments, the federal government and tribal nations. For reference, “non-profit organizations” are defined in A.R.S. § 41-2631(4) as any nonprofit corporation as designated by the IRS under Section 501(c)(3) through 501(c)(6) of the tax code.

### 4. NON-EXCLUSIVE CONTRACT

This contract shall be for the sole convenience of the Department. The Department reserves the right to obtain like goods or services from another source when necessary. The Off-Contract Purchase Authorization and subsequent procurement shall be consistent with the Arizona Procurement Code.

### 5. ORDERING PROCESS

Eligible Agencies shall issue a purchase order to the Contractor. Each purchase order must cite the contract number. This purchase order shall be the only document required for an Eligible Agency to order and the Contractor to deliver the material and/or service.

Any attempts to represent any material and/or service not specifically awarded as being under contract is a breach of the contract and a violation of the Arizona Procurement Code. Any such

action is subject to the legal and contractual remedies available to the State inclusive of but not limited to contract cancellation, suspension and/or debarment of the Contractor.

Contractor shall acknowledge each order from Eligible Agencies in conformance with each agency's instructions given at the time of ordering. Orders from eligible cooperative purchasing members create no obligation on State's part. Notwithstanding, the Contractor shall fulfill orders under the Contract to any Eligible Agency. The Contractor's refusal to do so would be a material breach of the Contract.

### 6. SHIPPING TERMS

6.1 Delivery shall be F.O.B. Destination to the location designated herein. Contractor shall retain title and control of all goods until they are delivered. All risk of transportation and related charges shall be the responsibility of the Contractor. All claims for visible or concealed damage shall be filed by the Contractor. The Department will notify the Contractor promptly of any damaged goods and shall assist the Contractor in arranging for inspection.

### 7. DELIVERY

- 7.1 Delivery address will be listed on the Purchase order issued the eligible agency.
- 7.2 Deliveries shall be completed In accordance with the requirements of the contract.
- 7.3 Delivery of the product does not constitute acceptance.

### 8. INSPECTION AND ACCEPTANCE

- 8.1 Each item delivered shall be subject to a complete inspection by the Department within 20 days after delivery. Inspection criteria shall include, but not be limited to, conformity to the specifications, workmanship, quality and materials.
- 8.2 If the delivered product is not accepted and returned for corrective action, an additional fifteen (15) calendar days shall be allowed for inspection of the corrected or replacement product.
- 8.3 The Contractor shall be responsible for the transport of the material to and from the Department for the correction of items or workmanship not in compliance with the specifications.
- 8.4 Product returned for corrective action may delay payment. Invoices will be processed for payment only after the product is accepted.

### 9. INVOICING and PAYMENT

Separate invoices are required for each shipment of product or delivery of service and shall include at a minimum:

- Department Location's Name and Address
- Vendor Name, Remit to Address and Contact Information
- Contract Number

- Purchase Order Number
- Invoice Number and Date
- Date the items were shipped to the Department
- Contract Line Item Number
- Line Item Description or Item or Service
- Quantity Purchased
- Line Item Unit of Measure
- Price per Unit and Total per Unit
- Catalog or Other Discount (if applicable)
- Net Unit Price and Total per Unit (if applicable)
- Applicable taxes
- Applicable Shipping/Freight Charges
- Total Invoice Amount Due

Invoices not sent to the proper address, or not containing the necessary and required information may delay payment. A Contractor whose payments are delayed due to improper invoicing shall make no claim against the Department or the State for late or finance charges.

The Department will make every effort to process payment for the purchase of product within thirty (30) calendar days after the Department has conducted the necessary reviews, inspections and acceptance as described herein.

The department acceptance date will be the valid date for starting the thirty (30) calendar day payment period.

Payment due dates, including discount periods, will be computed from the date of acceptance or date of correct invoice (whichever is later) to the date the Department's warrant is mailed.

## **10. ESTIMATED USAGE**

The Department anticipates considerable usage under this contract. The Department reserves the right to increase or decrease actual quantities ordered as circumstances may require. No guarantees are made concerning actual purchases under this contract.

## **11. PRICING**

### **11.1 Phase 1 and 2 pricing**

Medium and Heavy Duty Cabs, Chassis and Busses shall be a minimum percentage off of MSRP, less the manufacturers rebates and any additional discounts available for that model/power-train combination.

11.1.1 Contractor shall provide a copy of manufacturer's invoice to the ordering agency upon request. The manufacturer's invoice shall be unaltered to include original pricing from the manufacturer.



- 11.1.2 Transportation costs to transfer a vehicle from another dealer for a Phase 2 or purchase from stock may be added to the cost of the vehicle. The justification for this cost is at the discretion of the Eligible Agency.
- 11.1.3 Any reference to Phase 1 pricing shall be in reference to Cabs, Chassis and Busses ordered prior to the factory cut-off date.
- 11.1.4 Any reference to Phase 2 pricing shall be in reference to Cabs, Chassis and Busses purchased from stock or “on the lot”.
- 11.1.5 Phase 2 pricing shall receive the same cost considerations as Phase 1 pricing, all discounts and rebates should be passed onto the Eligible Agency.
- 11.1.6 All Cabs, Chassis and Busses are to be billed at prices in effect at the time of order, not the date of shipment.
- 11.1.7 Pricing for vehicles shall include all discounts and deductions, less Federal and State taxes.
- 11.1.8 Pricing is all-inclusive, all administrative, reporting, or other requirements, all overhead costs and profit and any other costs toward the accomplishment of the requirements in the Contract are included in the pricing provided.
- 11.1.9 As changes to Cabs, Chassis and Buss models occur through out the year, contractor may submit request to update models being offered. The discount off of MSRP shall remain the same unless a price increase is submitted per section 13 below in the terms and conditions

11.2 Supplier warrants that, for the term of the Contract, the prices and discounts set out in the offeror and response form, including any subsequent agreed amendment to it the Contract Pricing, will be equal to or better than the lowest prices and largest discounts, both separately and in combination, at which Contractor sells equivalent items of equipment and materials.

1.1. LARGE VOLUME DISCOUNT PRICING: An Eligible Agency may seek to obtain additional volume discount pricing for large orders provided Contractor is willing to offer additional discounts for large volume orders. No amendment to this Contract is necessary for Contractor to offer discount pricing to an Eligible Agency for large volume purchases.

### 12. PRICE REDUCTION

Adjustment may be offered at any time during the term of a contract and shall become effective upon notice through a written contract amendment.

### 13. PRICE INCREASE

The Department will review **fully documented** requests for price increases for any contract which will or has been in effect for twelve (12) months. The request shall be submitted no less than 60 days prior to the contract renewal date. The Contractor shall provide fully documented information which supports the price increase request. Fully documented means that the request shall present detailed information and calculations that make it clear how the claimed increase has an impact on the contract unit prices. All assumptions regarding cost factors that have an impact on the requested increase shall also be clearly identified and justified. The requested price increase must be based upon a cost increase that was clearly unpredictable at the time of the offer and can be shown to directly affect the price of the item concerned. Any price increase adjustment request prior to the time of contract extension will be a factor in the extension review process. The

Department will determine whether the requested price increase or an alternate option, is in the best interest of the State.

**14. SAFETY STANDARDS**

Items supplied under this contract shall comply with all current applicable safety standards and regulations including the Occupational Safety and Health Standards of the State of Arizona Industrial Commission, the National Electric Code and the National Fire Protection Association Standards.

**15. WARRANTY**

The Contractor warrants:

- 1 That all services performed hereunder shall conform to the requirements of this contract and shall be performed by qualified personnel in accordance with the highest professional standards.
- 2 All Cabs, Chassis and Busses supplied under these specifications shall be warranted by the Vehicle(s) manufacturers Standard Warranty against mechanical and electrical defects from the date vehicle(s) is placed in service.
- 3 This warranty shall cover such items as actual repair labor, parts, and shipping charges to and from the nearest service facility or other designated repair depot.
- 4 Any defects of design, workmanship or material, shall be fully corrected by the vendor without cost to the state agency or political subdivision.
- 5 The written warranty shall be included with the delivered vehicles to the Eligible Agency.

**16. CURRENT PRODUCTS**

All products supplied under this contract shall be in current and ongoing production; shall have been formally announced for general marketing purposes; shall be a model or type currently functioning in a user (paying customer) environment and capable of meeting or exceeding all specifications and requirements set forth in the contract.

**17. PRODUCT DISCONTINUANCE**

In the event that a product or model is discontinued by the manufacturer, the Department at its sole discretion may allow the Contractor to provide a substitute for the discontinued item. The Contractor shall request authorization to substitute a new product or model and provide the following:

1. A formal announcement from the manufacturer that the product or model has been discontinued.
2. Documentation from the manufacturer that names the replacement product or model.

3. Documentation that provides clear and convincing evidence that the replacement meets or exceeds all specifications required by the original solicitation.
4. Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model.
5. Documentation confirming that the price for the replacement is the same as or less than the discontinued product or model.

**18. CONTRACT ADMINISTRATION**

The Contractor shall contact the assigned Procurement Officer for guidance or direction in matters of contract interpretation or questions regarding the terms, conditions or scope of the contract.

**19. NOTICES**

All notices, requests, demands, consents, approvals, and other communications which may or are required to be served or given hereunder (for the purposes of this provisions collectively called "Notices"), shall be in writing and shall be sent by certified United States mail, return receipt requested, or by any other method that provides evidence of receipt, addressed to the party or parties to receive such notice as follows:

If intended for the State, to:

Arizona Department of Transportation, Procurement Group  
1655 W. Jackson Street, MD 100P  
Phoenix, Arizona 85007-3276

If intended for the Contractor, to the address as identified in the Contractor's electronic vendor profile. Or to such other address as either party may from time to time furnish in writing to the other by notice hereunder. Any notice so mailed shall be deemed to have been given as of the date such notice is received as shown on the return receipt. Furthermore, such notice may be given by delivering personally such notice, if intended for the State, to the Arizona Department of Transportation, Procurement Officer and, if intended for the Contractor, to the person named on the Offer & Contract Award of this contract, or to such other person as either party may from time to time furnish in writing to the other by notice hereunder. Any notice so delivered shall be deemed to have been given as of the date such notice is personally delivered to the other party.

**20. CANCELLATION FOR POSSESSION OF WEAPONS ON ADOT PROPERTY**

This contract may be cancelled if Contractor or any subcontractors or others in the employ or under the supervision of the Contractor or subcontractors is found to be in possession of weapons.

Possession of weapons (firearms, explosive device, knife or blade of more than three inches, or any other instrument designed for lethal or disabling use) is prohibited on ADOT property.

Further, if the Contractor or any subcontractors or others in the employ or under the supervision of the Contractors or subcontractors are asked by an ADOT official to leave the ADOT property, they are advised that failure to comply with such a request shall result in cancellation of the contract and anyone who refuses, whether armed or not, is subject to prosecution under A.R.S. § 13-1502, "Criminal trespass in the third degree; classification."

**21. INDEMNIFICATION CLAUSE**

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona.

This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

**22. INSURANCE REQUIREMENTS**

The Contractor shall furnish Certificate(s) of Insurance inclusive of the following requirements to the Department. Certificate(s) shall be received within 10 calendar days of notification of contract award by the Procurement Officer.

**22.1. Contractor and subcontractors**

Shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

**22.2. The Insurance Requirements**

Herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

**22.3. Minimum Scope and Limits of Insurance**

Contractor shall provide coverage with limits of liability not less than those stated below.

- Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- |   |             |
|---|-------------|
| • General Aggregate                         | \$2,000,000 |
| • Products – Completed Operations Aggregate | \$1,000,000 |
| • Personal and Advertising Injury           | \$1,000,000 |
| • Damage to Rented Premises                 | \$50,000    |
| • Each Occurrence                           | \$1,000,000 |

- a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

**22.4. Business Automobile Liability**

Bodily Injury and Property Damage for any owned, hired, and/or non owned automobiles used in the performance of this Contract.

- Combined Single Limit (CSL) \$1,000,000

- a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the

activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

- b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

**22.5. Workers' Compensation and Employers' Liability**

• Workers' Compensation	Statutory
• Employers' Liability	
o Each Accident	\$1,000,000
o Disease – Each Employee	\$1,000,000
o Disease – Policy Limit	\$1,000,000

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

b. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

**22.6. Additional Insurance Requirements**

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

- The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. §41-621 (E).
- Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

**22.7. Notice of Cancellation**

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty

(30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative’s Name, Address & Fax Number).

**22.8. Acceptability of Insurers**

Contractor’s insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an “A.M. Best” rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

**22.9. Verification of Coverage**

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

- All such certificates of insurance and policy endorsements must be received by the State before work commences. The State’s receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.
- Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
- All certificates required by this Contract shall be sent directly to the Department. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

**22.10. Subcontractors**

Contractor’s certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right

to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

**22.11. Approval and Modifications**

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

**22.12. Exceptions**

In the event the Contractor or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Contractor or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

**23. ADMINISTRATIVE FEE**

Contractor shall pay State an administrative fee against all Contract sales to Co-op Buyers, as provided for under A.R.S. § 412633. The fee rate prior to January 1, 2024, is one (1%) percent. Rates are set in accordance with SPO Technical Bulletin (TB) 007, available on the SPO website, which may be revised at the State's sole discretion as part of Arizona state procurement policy. For convenience (though note that this link may change over time) TB 007 may be found here:

<https://spointra.az.gov/resources/procurement-regulations>.

Failure to remit the administrative fees is a material breach of contract, and will entitle the State to its remedies under Contract Terms and Conditions Section 8 and its right to terminate for default under Section 9. Method of calculation, payment procedures, and other details are provided on the State Procurement Office website:

<https://spo.az.gov/>

**24. USAGE REPORT**

**24.1 Administrative Fee Reporting**

Contractor shall submit to ADOA-SPO a Quarterly Report documenting all Contract sales to both eligible State agencies and cooperative purchasing members, itemized separately. A Quarterly Report shall be submitted even if there have been no sales. The Contractor shall further itemize divisions, groups or areas within a given Eligible Agency if they place Orders independently of each other.



Quarterly reports on transactions with cooperative purchasing members are required to be filed with ADOA-SPO. Failure to remit the administrative fees/usage reports is a material breach of contract, and will entitle State to its remedies under Article 8 and its right to terminate for default under Article 9. Method of calculation, payment procedures, and other details are provided on the State Procurement Office website at

<https://spo.az.gov/suppliers/usage-reporting>.

**24.2 ADOT Usage Report Requirements**

The Contractor shall furnish ADOT a quarterly report showing all purchasing activity under this contract. This usage report shall be provided in a form substantially equivalent to Exhibit Q3. Usage reports shall be submitted to the Procurement Officer no later than 30 days after the end of each quarter.

Usage report quarters shall be defined as follows:

- January through March – Report due April 30
- April through June – Report due July 30
- July through September – Report due October 30
- October through December – Report due January 30

**25. CONTRACT ORDER OF PRECEDENCE**

In the event of a conflict in the provisions of the Contract, as accepted by the Department and as they may be amended, the following shall prevail in the order set forth below:

1. Federal Terms and Conditions;
2. Special Terms and Conditions;
3. Uniform Terms and Conditions;
4. Statement or Scope of Work;
5. Specifications;
6. Attachments;
7. Exhibits
8. Special Instructions to Offerors;
9. Uniform Instructions to Offerors; and
10. Other documents referenced or included in the Solicitation

**26. LICENSES, PERMITS, CERTIFICATIONS**

Contractor, at their expense, shall maintain in current status without any violations, complaints, or suspensions during the term of this contract all Federal, State and Local licenses, permits and certifications required for the operation of a business conducted by the Contractor.

**27. POST AWARD MEETING**

## SPECIAL TERMS AND CONDITIONS

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At the discretion of the Department, the Contractor, at their expense, shall attend and participate in post award meetings as scheduled by the Procurement Officer.

1. Definition of Terms. As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:
  - 1.1. "Attachment" means any item the Solicitation which requires the Offeror to submit as part of the Offer.
  - 1.2. "Contract" means the combination of the Solicitation, including the Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.
  - 1.3. "Contract Amendment" means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
  - 1.4. "Contractor" means any person who has a Contract with the State.
  - 1.5. "Data" means recorded information, regardless of form or the media on which it may be recorded. The term may include technical data and computer software. The term does not include information incidental to contract administration, such as financial, administrative, cost or pricing, or management information.
  - 1.6. "Days" means calendar days unless otherwise specified.
  - 1.7. "Exhibit" means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation generally containing maps, schematics, examples of reports, or other documents that will be used to perform the requirements of the Scope of Work after contract award.
  - 1.8. "Gratuity" means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
  - 1.9. "Materials" means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.
  - 1.10. "Procurement Officer" means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.
  - 1.11. "Services" means the furnishing of labor, time or effort by a Contractor or Subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.

- 1.12. “State” means any department, commission, council, board, bureau, committee, institution, agency, government corporation or other establishment or official of the executive branch or corporation commission of the State of Arizona that executes the Contract.
- 1.13. “State Fiscal Year” means the period beginning with July 1 and ending June 30.
- 1.14. “Subcontract” means any Contract, express or implied, between the Contractor and another party or between a Subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any Materials or any Services required for the performance of the Contract.
- 1.15. “Subcontractor” means a person who contracts to perform work or render Services to a Contractor or to another Subcontractor as a part of a Contract with the State.

## 2. Contract Interpretation

- 2.1. Arizona Law. The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.
- 2.2. Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
- 2.3. Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
  - 2.3.1. Special Terms and Conditions;
  - 2.3.2. Uniform Terms and Conditions;
  - 2.3.3. Statement or Scope of Work;
  - 2.3.4. Specifications;
  - 2.3.5. Attachments;
  - 2.3.6. Exhibits; then
  - 2.3.7. Any other documents referenced or included in the Solicitation including, but not limited to, any Bid or Offer documents provided by the Contractor that do not fall into one of the above categories.
- 2.4. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 2.5. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.

- 2.6. No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 2.7. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.
3. Contract Administration and Operation
- 3.1. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each Subcontractor to retain any and all Data and other "records" relating to the acquisition and performance of the Contract for a period of five (5) years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- 3.2. Non-Discrimination. The Contractor shall comply with State Executive Order Nos. 2023-09, 2023-01, 2009-09, and any and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act. Contractor shall include these provisions in contracts with Subcontractors when required by Federal or State law.
- 3.3. Audit. Pursuant to A.R.S. § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any Subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.
- 3.4. Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, Subcontractor facilities, and the Contractor's processes or services, at reasonable times for inspection of the facilities or Materials covered under this Contract as required under A.R.S. § 41-2547. The State shall also have the right to test, at its own cost, the Materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor Materials testing shall constitute final acceptance of the Materials or Services. If the State determines non-compliance of the Materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.
- 3.5. Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation, stated in the Contract, or listed on the State's eProcurement system. An

authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.

3.6. Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.

3.7. Continuous Improvement. Contractor shall recommend continuous improvements on an on-going basis in relation to any Materials and Services offered under the Contract, with a view to reducing State costs and improving the quality and efficiency of the provision of Materials or Services. State may require Contractor to engage in continuous improvements throughout the term of the Contract.

3.8. Other Contractors. State may undertake on its own or award other contracts to the same or other suppliers for additional or related work. In such cases, the Contractor shall cooperate fully with State employees and such other suppliers and carefully coordinate, fit, connect, accommodate, adjust, or sequence its work to the related work by others. Where the Contract requires handing-off Contractor's work to others, Contractor shall cooperate as State instructs regarding the necessary transfer of its work product, Materials, Services, or records to State or the other suppliers. Contractor shall not commit or permit any act that interferes with the State's or other suppliers' performance of their work, provided that, State shall enforce the foregoing section equitably among all its suppliers so as not impose an unreasonable burden on any one of them.

3.9. Ownership of Intellectual Property

3.9.1. Rights In Work Product. All intellectual property originated or prepared by Contractor pursuant to the Contract, including but not limited to, inventions, discoveries, intellectual copyrights, trademarks, trade names, trade secrets, technical communications, records reports, computer programs and other documentation or improvements thereto, including Contractor's administrative communications and records relating to the Contract, are considered work product and Contractor's property, provided that, State has Government Purpose Rights to that work product as and when it was delivered to State.

3.9.2. "Government Purpose Rights" are:

3.9.2.1. the unlimited, perpetual, irrevocable, royalty free, non-exclusive, worldwide right to use, modify, reproduce, release, perform, display, sublicense, disclose and create derivatives from that work product without restriction for any activity in which State is a party;

3.9.2.2. the right to release or disclose that work product to third parties for

- any State government purpose; and
- 3.9.2.3. the right to authorize those to whom it rightfully releases or discloses that work product to use, modify, release, create derivative works from the work product for any State government purpose; such recipients being understood to include the federal government, the governments of other states, and various local governments.
- 3.9.3. “Government Purpose Rights” do not include any right to use, modify, reproduce, perform, release, display, create derivative works from or disclose that work product for any commercial purpose, or to authorize others to do so.
- 3.9.4. Joint Developments. The Contractor and State may each use equally any ideas, concepts, know-how, or techniques developed jointly during the course of the Contract, and may do so at their respective discretion, without obligation of notice or accounting to the other party.
- 3.9.5. Pre-existing Material. All pre-existing software and other Materials developed or otherwise obtained by or for Contractor or its affiliates independently of the Contract or applicable Purchase Orders are not part of the work product to which rights are granted State under subparagraph 3.9.1 above, and will remain the exclusive property of Contractor, provided that:
  - 3.9.5.1. any derivative works of such pre-existing Materials or elements thereof that are created pursuant to the Contract are part of that work product;
  - 3.9.5.2. any elements of derivative work of such pre-existing Materials that was not created pursuant to the Contract are not part of that work product; and
  - 3.9.5.3. Except as expressly stated otherwise, nothing in the Contract is to be construed to interfere or diminish Contractor’s or its affiliates’ ownership of such pre-existing Materials.
- 3.9.6. Developments Outside Of Contract. Unless expressly stated otherwise in the Contract, this Section does not preclude Contractor from developing competing Materials outside the Contract, irrespective of any similarity to Materials delivered or to be delivered to State hereunder.
- 3.10. Property of the State. If there are any materials that are not covered by Section 3.9 above created under this Contract, including but not limited to, reports and other deliverables, these materials are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or

copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.

- 3.11. Federal Immigration and Nationality Act. Contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, Contractor shall flow down this requirement to all Subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of Contractor and Subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State
- 3.12. E-Verify Requirements. In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23- 214, Subsection A.
- 3.13. Offshore Performance of Work involving Data is Prohibited. Any Services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to Data shall be performed within the defined territories of the United States.
- 3.14. Protection of State Cybersecurity Interests. The Contractor shall comply with State Executive Order No. 2023-10, which includes, but is not limited to, a prohibition against (a) downloading and installing of TikTok on all State-owned and State-leased information technology; and (b) accessing TikTok through State information technology.
- 3.15. Certifications Required by State Law.
- 3.15.1. If Contractor is a Company as defined in A.R.S. § 35-393, Contractor certifies that it is not currently engaged in a boycott of Israel as described in A.R.S. §§ 35-393 *et seq.* and will refrain from any such boycott for the duration of this Contract.
- 3.15.2. Contractor further certifies that it shall comply with A.R.S. § 35-394, regarding use of the forced labor of ethnic Uyghurs, as applicable.

#### 4. Costs and Payments

- 4.1. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of Materials or Services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.
- 4.2. Delivery. Unless stated otherwise in the Contract, per A.R.S. § 47-2319, all prices shall be F.O.B. ("free on board") Destination and shall include all freight delivery and unloading at the destination.
- 4.3. Firm, Fixed Price. Unless stated otherwise in the Special Terms and Conditions of the Contract, all prices shall be firm-fixed-prices.
- 4.4. Applicable Taxes



- 4.4.1. Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.
- 4.4.2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.
- 4.4.3. Tax Indemnification. Contractor and all Subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all Subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.
- 4.4.4. IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.
- 4.5. Availability of Funds for the Next State Fiscal Year. Funds may not presently be available for performance under this Contract beyond the current State Fiscal Year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current State Fiscal Year until funds are made available for performance of this Contract.
- 4.6. Availability of Funds for the Current State Fiscal Year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these Materials or Services are not funded, the State may take any of the following actions:
  - 4.6.1. Accept a decrease in price offered by the Contractor;
  - 4.6.2. Cancel the Contract; or
  - 4.6.3. Cancel the Contract and re-solicit the requirements.
- 5. Contract Changes
  - 5.1. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of Services or Materials, the revision of payment terms, or the substitution of Services or Materials, directed by a person who is not specifically authorized by the Procurement Officer in writing or made unilaterally by the Contractor are violations of

the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

5.2. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this Contract without the advance written approval of the Procurement Officer as described in Arizona State Procurement Office Standard Procedure 002. The Contractor shall clearly list any proposed Subcontractors and the Subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

6. Risk and Liability

6.1. Risk of Loss. The Contractor shall bear all loss of conforming Materials covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming Materials shall remain with the Contractor regardless of receipt.

6.2. Indemnification

6.2.1. Contractor/Vendor Indemnification (Not Public Agency). To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or Subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from

and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona. This indemnity shall not apply if the Contractor or Subcontractor(s) is/are an agency, board, commission or university of the State of Arizona.

6.2.2. Public Agency Language Only. Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers.

6.3. Indemnification - Patent and Copyright. The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of Materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the Contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this paragraph shall not apply.

6.4. Force Majeure.

6.4.1. Except for payment of sums due, neither the Contractor nor State shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes: acts of God, acts of the public enemy, war, riots, strikes, mobilization, labor disputes, civil disorders, fire, flood, lockouts, injunctions-intervention-acts, failures or refusals to act by government authority, and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2. Force Majeure shall not include the following occurrences:

- 6.4.2.1. Late delivery of equipment, Materials, or Services caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;
  - 6.4.2.2. Late performance by a Subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
  - 6.4.2.3. Inability of either the Contractor or any Subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.
- 6.4.3. If either the Contractor or State is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.
- 6.4.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.
- 6.5. Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern Materials or Services supplied by third parties to the Contractor, toward fulfillment of this Contract.
7. Warranties
- 7.1. Liens. The Contractor warrants that the Materials supplied under this Contract are free of liens and shall remain free of liens.
  - 7.2. Quality. Unless otherwise modified elsewhere in the Special Terms and Conditions, the Contractor warrants that, for one (1) year after acceptance by the State of the Materials, they shall be:

- 7.2.1. Of a quality to pass without objection in the trade under the Contract description;
- 7.2.2. Fit for the intended purposes for which the Materials are used;
- 7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;
- 7.2.4. Adequately contained, packaged, and marked as the Contract may require; and
- 7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.

7.3. Conformity to Requirements.

- 7.3.1. Contractor warrants that, unless expressly provided otherwise elsewhere in the Contract, the Materials and Services will for one (1) year after acceptance and in each instance:
  - 7.3.1.1. Conform to the requirements of the Contract, which by way of reminder include without limitation all descriptions, specifications, and drawings identified in the Scope of Work and any and all Contractor affirmations included as part of the Contract;
  - 7.3.1.2. Be free from defects of material and workmanship;
  - 7.3.1.3. Conform to or perform in a manner consistent with current industry standards; and
  - 7.3.1.4. Be fit for the intended purpose or use described in the Contract.
- 7.3.2. Mere delivery or performance does not substitute for express acceptance by the State. Where inspection, testing, or other acceptance assessment of Materials or Services cannot be done until after installation or invoicing, the forgoing warranty will not begin until State's explicit acceptance of the Materials or Services.

7.4. Inspection/Testing. The warranties set forth in this Section 7 [Warranties] are not affected by inspection or testing of or payment for the Materials or Services by the State.

7.5. Contractor Personnel. Contractor warrants that its personnel will perform their duties under the Contract in a professional manner, applying the requisite skills and knowledge, consistent with industry standards, and in accordance with the requirements of the Contract. Contractor further warrants that its key personnel will maintain any and all certifications relevant to their work, and Contractor shall provide

individual evidence of certification to State’s authorized representatives upon request.

7.6. Compliance With Applicable Laws. The Materials and Services supplied under this Contract shall comply with all applicable federal, state, and local laws and policies (including, but not limited to, information technology policies, standards, and procedures available on the State’s website and/or the website of any department, commission, council, board, bureau, committee, institution, agency, government corporation or other establishment or official of the executive branch or corporation commission of the State of Arizona). Federal requirements may be incorporated into this Contract, if required, pursuant to A.R.S. § 41-2637. Contractor shall maintain any and all applicable license and permit requirements. This requirement includes, but is not limited to, any and all Arizona state statutes that impact state contracts, regardless of whether those statutory references have been removed during the course of contract negotiations; this is notice to Contractors that the State does not have the authority to modify Arizona state law by contract.

7.7. Intellectual Property. Contractor warrants that the Materials and Services do not and will not infringe or violate any patent, trademark, copyright, trade secret, or other intellectual property rights or laws, except only to the extent the Specifications do not permit use of any other product and Contractor is not and cannot reasonably be expected to be aware of the infringement or violation.

7.8. Licenses and Permits. Contractor warrants that it will maintain all licenses required to fully perform its duties under the Contract and all required permits valid and in force.

7.9. Operational Continuity. Contractor warrants that it will perform without relief notwithstanding being sold or acquired; no such event will operate to mitigate or alter any of Contractor’s duties hereunder absent a consented delegation under paragraph 5.3 [Assignment and Delegation] that expressly recognizes the event.

7.10. Performance in Public Health Emergency. Contractor warrants that it will:

7.10.1. Have in effect, promptly after commencement, a plan for continuing performance in the event of a declared public health emergency that addresses, at a minimum:

7.10.1.1. Identification of response personnel by name;

7.10.1.2. Key succession and performance responses in the event of sudden and significant decrease in workforce; and

7.10.1.3. Alternative avenues to keep sufficient product on hand or

in the supply chain.

- 7.10.2. Provide a copy of its current plan to State within three (3) business days after State's written request. If Contractor claims relief under paragraph 6.4 [Force Majeure] for an occurrence of force majeure that is a declared public health emergency, then that relief will be conditioned on Contractor having first implemented its plan and exhausted all reasonable opportunity for that plan implementation to overcome the effects of that occurrence, or mitigate those effects to the extent that overcoming entirely is not practicable.
- 7.10.3. A request from the State related to this paragraph 7.10 does not necessarily indicate that there has been an occurrence of force majeure, and the Contractor will not be entitled to any additional compensation or extension of time by virtue of having to implement a plan.
- 7.10.4. Failure to have or implement an appropriate plan will be a material breach of contract.

7.11. Lobbying

- 7.11.1. Prohibition. Contractor warrants that it will not engage in lobbying activities, as defined in 40 Code of Federal Regulations (CFR) part 34 and A.R.S. § 41-1231, *et seq.*, using monies awarded under the Contract, provided that, the foregoing does not intend to constrain Contractor's use of its own monies or property, including without limitation any net proceeds duly realized under the Contract or any value thereafter derived from those proceeds; and upon award of the Contract, it will disclose all lobbying activities to State to the extent they are an actual or potential conflict of interest or where such activities could create an appearance of impropriety. Contractor shall implement and maintain adequate controls to assure compliance with above. Contractor shall obtain an equivalent warranty from all Subcontractors and shall include an equivalent no-lobbying provision in all Subcontracts.
- 7.11.2. Exception. This paragraph 7.11 does not apply to the extent that the Services are defined in the Contract as being lobbying for State's benefit or on State's behalf.

- 7.12. Covered Telecommunications or Services. Contractor warrants that the Materials and Services rendered under this Agreement will not require Contractor to use for the State, or provide to the State to use, "covered telecommunications equipment or Services" as a substantial or essential component of any system, or as critical

technology as part of any system, within the meaning of Federal Acquisition Regulation (“FAR”) Section 52.204-25.

7.13. Debarment, Suspension, U.S. Government Restricted Party Lists. Contractor warrants that it is not, and its Subcontractors are not, on the U.S. government’s Denied Parties List, the Unverified List, the Entities List, the Specially Designated Nationals and Blocked Parties List, and neither the Contractor nor any Subcontractors are presently debarred, suspended, proposed for debarment or otherwise declared ineligible for award of federal contracts or participation in federal assistance programs or activities.

7.14. False Statements. Contractor represents and warrants that all statements and information Contractor prepared and submitted in response to the Solicitation or as part of the Contract documents are current, complete, true, and accurate. If the Procurement Officer determines that Contractor submitted an Offer or Bid with a false statement, or makes material misrepresentations during the performance of the Contract, the Procurement Officer may determine that Contractor has materially breached the Contract and may void the submitted Offer or Bid and any resulting Contract.

7.15. Survival of Rights and Obligations after Contract Expiration or Termination.

7.15.1. Survival of Warranty. All representations and warranties made by Contractor under the Contract will survive the expiration or earlier termination of the Contract.

7.15.2. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12- 529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.15.3. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8. State's Contractual Remedies

8.1. Right to Assurance. If the State in good faith has reason to believe that the Contractor



does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2. Stop Work Order.

8.2.1. The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3. Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.

8.4. Nonconforming Tender. Materials or Services supplied under this Contract shall fully comply with the Contract. The delivery of Materials or Services or a portion of the Materials or Services that do not fully comply constitutes a breach of contract. On delivery of nonconforming Materials or Services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5. Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9. Contract Termination

- 9.1. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.
- 9.2. Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State with the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three (3) times the value of the Gratuity offered by the Contractor.
- 9.3. Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a Subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the Contractor is not currently suspended or debarred. If the Contractor becomes suspended or debarred, the Contractor shall immediately notify the State.
- 9.4. Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all Subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, Data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed, and Materials or Services accepted before the effective date of the termination. The cost principles and procedures provided in A.R.S. § 41-2543 and A.A.C. Title 2, Chapter 7, Article 7, shall apply.

9.5. Termination for Default.

9.5.1. In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2. Upon termination under this paragraph, all goods, Materials, documents, Data, and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, Materials or Services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring Materials or Services in substitution for those due from the Contractor. Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10. Contract Claims

All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11. Arbitration

The parties to this Contract agree to resolve all disputes arising out of or relating to this Contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (A.R.S. Title 41).

**1. INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION (FTA) TERMS**

The following provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220 available at: <https://www.transit.dot.gov/regulations-and-guidance/fta-circulars/third-party-contracting-guidance> are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any (name of grantee) requests which would cause (name of grantee) to be in violation of the FTA terms and conditions.

The Federal Terms and Conditions under this Contract shall be incorporated in any sub-contractor, or lower-tier agreement for any federally-funded task assignment / project awarded under this Contract.

**2. ACCESS TO RECORDS AND REPORTS**

The following access to records requirements apply to this Contract:

1. Where the Purchaser is not a State but a local government and is the FTA Recipient or a sub grantee of the FTA Recipient in accordance with 49 C. F. R. 18.36(i), the Contractor shall - provide the Purchaser, the FTA, the US Comptroller General or their authorized representatives access to any books, documents, papers and contractor records which are pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions. Contractor shall also , pursuant to 49 C. F. R. 633.15, provide authorized FTA representative including any PMO Contractor access to Contractor's records and construction sites pertaining to a capital project, defined at 49 U.S.C. 5302(a)1, which is receiving assistance through the programs described at 49 U.S.C. 5307, 5309 or 5311.
2. Where the Purchaser is a State and is the FTA Recipient or a sub grantee of the FTA Recipient in accordance with 49 C.F.R. 633.15, Contractor shall provide the Purchaser, authorized FTA representatives, including any PMO Contractor, access to the Contractor's records and construction sites pertaining to a major capital project, defined at 49 U.S.C. 5302(a) 1, which receives FTA assistance through the programs described at 49 U.S.C. 5307, 5309 or 5311. By definition, a major capital project excludes contracts of less than the simplified acquisition threshold currently set at \$250,000.00.
3. Where the Purchaser enters into a negotiated contract for other than a small purchase or under the simplified acquisition threshold and is an institution of

higher education, a hospital or other non-profit organization and is the FTA Recipient or a sub grantee of the FTA Recipient in accordance with 49 C.F.R. 19.48, Contractor shall provide the Purchaser, FTA, the US Comptroller General or their authorized representatives with access to any books, documents, papers and record of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions.

4. Where a Purchaser which is the FTA Recipient or a sub grantee of the FTA Recipient in accordance with 49 U.S.C. 5325(a) enters into a contract for a capital project or improvement (defined at 49 U.S.C. 5302(a)1) through other than competitive bidding, the Contractor shall make available records related to the contract to the Purchaser, the Secretary of USDOT and the US Comptroller General or any authorized officer or employee of any of them for the purposes of conducting an audit and inspection.
5. Contractor shall permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
6. The Contractor shall retain, and shall require its subcontractors at all tiers, all books, records, accounts and reports required under this contract for a period of not less than five years after the date of termination or expiration of this contract, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case Contractor agrees to maintain same until the Purchaser, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. Reference 49 CFR 18.39(i)(11).

**3. AFFIRMATIVE ACTION**

Contractor shall take the following affirmative action steps with respect to securing supplies, equipment, or services under the terms of this contract:

- a. Include qualified firms owned by socially and economically disadvantaged individuals on solicitation lists.
- b. Assure that firms owned by socially and economically disadvantaged individuals are solicited whenever they are potential sources.
- c. When economically feasible, divide total requirements into smaller tasks or quantities so as to permit maximum participation by firms owned by socially and economically disadvantaged individuals.
- d. Where the requirement permits, establish delivery schedules which will encourage participation by firms owned by socially and economically disadvantaged individuals.

- e. Use the services and assistance of the Small Business Administration, the Office of Minority Business Enterprise of the Department of Commerce, and the Community Services Administration, as required.

**4. AMERICAN WITH DISABILITIES ACT (ADA)**

Contractor agrees to comply with all applicable requirements of Section 504 of the Rehabilitation Act (1973), as amended, 29 USC §794, which prohibits discrimination on the basis of handicaps, and the Americans with Disabilities Act of 1990 (ADA), as amended, 42 USC §§12101 et seq., which requires that accessible facilities and services be made available to persons with disabilities, including any subsequent amendments to that Act. In addition, the contractor agrees to comply with any and all applicable requirements issued by the FTA, DOT, DOJ, U.S. GSA, U.S. EEOC, U.S. FCC, any subsequent amendments thereto and any other nondiscrimination statute(s) that may apply to the Project.

**5. BUS TESTING**

The Contractor [Manufacturer] agrees to comply with the Bus Testing requirements under 49 U.S.C. 5318(e) and FTA's implementing regulation at 49 C.F.R. part 665 to ensure that the requisite testing is performed for all new bus models or any bus model with a major change in configuration or components, and that the bus model has achieved a passing score. Upon completion of the testing, the contractor shall obtain a copy of the bus testing reports from the operator of the testing facility and make that report(s) publicly available prior to final acceptance of the first vehicle by the recipient.

**6. BREACHES AND DISPUTE RESOLUTION**

The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the (Recipient), (Architect) or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

**Disputes** - Disputes arising in the performance of this contract which are not resolved by agreement of the parties shall be decided in writing by the Department. This decision shall be final and conclusive unless within ten days from the date of receipt of its copy, contractor mails or otherwise furnishes a written appeal to the Department. In connection with such appeal, contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the Department shall be binding upon contractor and contractor shall abide by the decision. FTA has a vested interest in the settlement of any violation of Federal law including the False Claims Act, 31 U.S.C. § 3729.

**Performance During Dispute** - Unless otherwise directed by the recipient, contractor shall continue performance under this contract while matters in dispute are being resolved.

**Claims for Damages** - Should either party to the contract suffer injury or damage to person or property because of any act or omission of the party or of any of its employees, agents or others for whose acts it is legally liable, a claim for damages therefore shall be made in writing to such other party within ten days after the first observance of such injury or damage.

**Remedies** - Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the Department and contractor arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the residing State.

**Rights and Remedies** - Duties and obligations imposed by the contract documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the Department or contractor shall constitute a waiver of any right or duty afforded any of them under the contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

**7. BUY AMERICA**

The contractor agrees to comply with 49 U.S.C. 5323(j) and 49 C.F.R Part 661, which provide that federal funds may not be obligated unless all steel, iron and manufactured products used in FTA funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 C.F.R. 661.7. Separate requirements for rolling stock are set out at 49 U.S.C. 5323(j)(2)(c) and 49 C.F.R. 661.11 Domestic preferences for procurements.

The bidder or offeror shall submit to the Agency the appropriate Buy America certification. Bids or proposals not accompanied by a completed Buy America certification shall be rejected as nonresponsive. For more information please see the FTA's Buy America webpage at: <https://transit.dot.gov/buyamerica>.

**8. CARGO PREFERENCE REQUIREMENTS**

The contractor agrees:

- a. to use privately owned United States-Flag commercial vessels to ship at least 50 percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers) involved, whenever shipping any equipment, material, or commodities pursuant to the underlying contract to the extent

such vessels are available at fair and reasonable rates for United States-Flag commercial vessels;

- b. to furnish within 20 working days following the date of loading for shipments originating within the United States or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, "onboard" commercial ocean bill-of-lading in English for each shipment of cargo described in the preceding paragraph to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590 and to the FTA Recipient (through the contractor in the case of a subcontractor's bill-of-lading.); and
- c. to include these requirements in all subcontracts issued pursuant to this contract when the subcontract may involve the transport of equipment, material, or commodities by ocean vessel.

**9. CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) IDENTIFICATION NUMBER**

The municipal project sponsor is required to identify in its accounts all Federal awards received and expended, and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the Federal agency, and name of the pass-through entity.

**10. CERTIFICATION AND ASSURANCES**

The FTA Certifications and Assurances are incorporated herein by reference. Upon award or contract renewal, the Contractor must agree to comply with the most current FTA Certifications and Assurances by signing and submitting the signature page provided by the Department. In the event FTA issues new Certifications and Assurances, the Department reserves the right to require submission of a new signature page agreeing to comply; to be added to the terms and conditions by Amendment. All such requests are a condition of continued award.

**11. CIVIL RIGHTS LAWS AND REQUIREMENTS**

The following Federal Civil Rights laws and regulations apply to all contracts.

- 1. **Federal Equal Employment Opportunity (EEO) Requirements.** These include, but are not limited to:
  - a) Nondiscrimination in Federal Public Transportation Programs. 49 U.S.C. § 5332, covering projects, programs, and activities financed under 49 U.S.C. Chapter 53, prohibits discrimination on the basis of race, color, religion, national origin, sex (including sexual orientation and gender identity), disability, or age, and prohibits discrimination in employment or business opportunity.



- b) Prohibition against Employment Discrimination. Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e, and Executive Order No. 11246, “Equal Employment Opportunity,” September 24, 1965, as amended, prohibit discrimination in employment on the basis of race, color, religion, sex, or national origin.
- 2. **Nondiscrimination on the Basis of Sex.** Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. § 1681 et seq. and implementing Federal regulations, “Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance,” 49 C.F.R. Part 25 prohibits discrimination on the basis of sex.
- 3. **Nondiscrimination on the Basis of Age.** The “Age Discrimination Act of 1975,” as amended, 42 U.S.C. § 6101 et seq., and Department of Health and Human Services implementing regulations, “Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance,” 45 C.F.R. part 90, prohibit discrimination by participants in federally assisted programs against individuals on the basis of age. The Age Discrimination in Employment Act (ADEA), 29 U.S.C. § 621 et seq., and Equal Employment Opportunity Commission (EEOC) implementing regulations, “Age Discrimination in Employment Act,” 29 C.F.R. part 1625, also prohibits employment discrimination against individuals age 40 and over on the basis of age.
- 4. **Federal Protections for Individuals with Disabilities.** The Americans with Disabilities Act of 1990, as amended (ADA), 42 U.S.C. § 12101 et seq., prohibits discrimination against qualified individuals with disabilities in programs, activities, and services, and imposes specific requirements on public and private entities. Third party contractors must comply with their responsibilities under Titles I, II, III, IV, and V of the ADA in employment, public services, public accommodations, telecommunications, and other provisions, many of which are subject to regulations issued by other Federal agencies.

#### **Civil Rights and Equal Opportunity**

The Agency is an Equal Opportunity Employer. As such, the Agency agrees to comply with all applicable Federal civil rights laws and implementing regulations. Apart from inconsistent requirements imposed by Federal laws or regulations, the Agency agrees to comply with the requirements of 49 U.S.C. § 5323(h) (3) by not using any Federal assistance awarded by FTA to support procurements using exclusionary or discriminatory specifications. Under this Contract, the Contractor shall at all times comply with the following requirements and shall include these requirements in each subcontract entered into as part thereof.

- 1. **Nondiscrimination.** In accordance with Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, or age. In

addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

2. **Race, Color, Religion, National Origin, Sex.** In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e et seq., and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. chapter 60, and Executive Order No. 11246, "Equal Employment Opportunity in Federal Employment," September 24, 1965, 42 U.S.C. § 2000e note, as amended by any later Executive Order that amends or supersedes it, referenced in 42 U.S.C. § 2000e note. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, national origin, or sex (including sexual orientation and gender identity). Such action shall include, but not be limited to, the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.
3. **Age.** In accordance with the Age Discrimination in Employment Act, 29 U.S.C. §§ 621634, U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6101 et seq., U.S. Health and Human Services regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.
4. **Disabilities.** In accordance with section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 et seq., the Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 et seq., and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against individuals on the basis of disability. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.
5. **Promoting Free Speech and Religious Liberty.** The Contractor shall ensure that Federal funding is expended in full accordance with the U.S. Constitution, Federal Law, and statutory and public policy requirements: including, but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination.

**12. CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT**

Contractor shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401-7671q) and the Federal Water Pollution Control Act, as amended, (33 U.S.C. § 1251-1387). Violations must be reported to FTA and the Regional Office of the Environmental Protection Agency. The following applies for contracts of amounts in excess of \$250,000.

**Clean Air**

- 1) Contractor shall comply with all applicable standards, orders or regulations pursuant to the Clean Air Act, as amended, 42 U.S.C. 7401 et seq.
- 2) Contractor shall report each violation to the Agency and understands and agrees that the Agency will, in turn, report each violation as required to assurance notification to the Agency, Federal Emergency Management Agency, and the appropriate Environmental Agency Regional Office
- 3) Contractor shall include these requirements in each subcontract exceeding \$250,000 financed in whole or in part with FTA assistance.

**13. CONFLICTS OF INTEREST / EMPLOYMENT OF FEDERAL PERSONNEL**

Contractors will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the Department or the Federal funding agency shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when: The employee, officer or agent, any member of his immediate family, His or her partner, or an organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. Department officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.

**14. COMPLIANCE WITH FEDERAL REGULATIONS**

Any contract entered pursuant to this solicitation shall contain the following provisions: All USDOT- required contractual provisions, as set forth in FTA Circular 4220, are incorporated by reference. Anything to the contrary herein notwithstanding, FTA mandated terms shall control in the event of a conflict with other provisions contained in this Agreement. Contractor shall not perform any act, fail to perform any act, or refuse to comply with any grantee request that would cause the recipient to be in violation of FTA terms and conditions. Contractor shall comply with all applicable FTA regulations, policies, procedures and directives, including, without limitation, those listed directly or incorporated by reference in the Master Agreement between the recipient and FTA, as may be amended or

promulgated from time to time during the term of this contract. Contractor's failure to comply shall constitute a material breach of this contract.

**15. CONFORMANCE WITH ITS NATIONAL ARCHITECTURE**

Contractor shall conform, to the extent applicable, to the National Intelligent Transportation Standards architecture as required by SAFETEA-LU Section 5307(c), 23 U.S.C. Section 517(d) note and follow the provisions of FTA Notice, "FTA National Architecture Policy on Transit Projects," 66 Fed. Reg.1455 et seq., January 8, 2001, and any other implementing directives FTA may issue at a later date, except to the extent FTA determines otherwise in writing.

**16. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT**

The following clauses apply to any Federal-aid contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by 29 CFR 5.5 or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

1. **Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
2. **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph (1) of this section, the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
3. **Withholding for unpaid wages and liquidated damages.** The FHWA or the contacting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to

the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.

4. **Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.

**17. DEBARMENT OR SUSPENSION**

The Contractor shall comply and facilitate compliance with U.S. DOT regulations, "Nonprocurement Suspension and Debarment," 2 C.F.R. part 1200, which adopts and supplements the U.S. Office of Management and Budget (U.S. OMB) "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," 2 C.F.R. part 180. These provisions apply to each contract at any tier of \$25,000 or more, and to each contract at any tier for a federally required audit (irrespective of the contract amount), and to each contract at any tier that must be approved by an FTA official irrespective of the contract amount. As such, the Contractor shall verify that its principals, affiliates, and subcontractors are eligible to participate in this federally funded contract and are not presently declared by any Federal department or agency to be:

- a) Debarred from participation in any federally assisted Award;
- b) Suspended from participation in any federally assisted Award;
- c) Proposed for debarment from participation in any federally assisted Award;
- d) Declared ineligible to participate in any federally assisted Award;
- e) Voluntarily excluded from participation in any federally assisted Award; or
- f) Disqualified from participation in any federally assisted Award.

By signing and submitting its bid or proposal, the bidder or proposer certifies as follows:

The certification in this clause is a material representation of fact relied upon by the Department. If it is later determined that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to the Department, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 2 C.F.R. part 180, Subpart C as supplemented by 2 C.F.R. part 1200, while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

**18. DISADVANTAGED BUSINESS ENTERPRISES**

**1.0 Policy:**

The Arizona Department of Transportation (hereinafter the Department) has established a Disadvantaged Business Enterprise (DBE) program in accordance with the regulations of the U.S. Department of Transportation (USDOT), 49 CFR Part 26. The Department has received Federal financial assistance from the U.S. Department of Transportation and as a condition of receiving this assistance, the Department has signed an assurance that it will comply with 49 CFR Part 26.

It is the policy of the Department to ensure that DBEs, as defined in Part 26, have an equal opportunity to receive and participate in USDOT-assisted contracts. It is also the policy of the Department:

1. To ensure nondiscrimination in the award and administration of USDOT-assisted contracts;
2. To create a level playing field on which DBEs can compete fairly for USDOT-assisted contracts;
3. To ensure that the DBE program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are counted as DBEs;
5. To help remove barriers to the participation of DBEs in USDOT-assisted contracts;
6. To assist in the development of firms that can compete successfully in the market place outside the DBE program; and
7. To promote the use of DBEs in all types of federally-assisted contracts and procurement activities.

It is also the policy of the Department to facilitate and encourage participation of Small Business Concerns (SBCs), as defined herein, in USDOT-assisted contracts. The Department encourages contractors to take reasonable steps to eliminate obstacles to SBCs' participation and to utilize SBCs in performing contracts.

**2.0 Assurances of Non-Discrimination:**

The contractor, subrecipient, or subcontractor shall not discriminate on the basis of race, color, sex or national origin in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the Department, deems appropriate, which may include, but are not limited to:

1. Withholding monthly progress payments;
2. Assessing sanctions;

3. Liquidated damages;
4. Suspension or Debarment per Uniform Terms and Conditions Paragraph 9.3 of the contractor from future bidding; and/or
5. Cancellation, termination, or suspension of the Contract, in whole or in part.

The contractor, subrecipient, or subcontractor shall ensure that all subcontract agreements contain this non-discrimination assurance.

**3.0 Definitions:**

**(A) Commercially Useful Function (CUF):** Commercially Useful Function is defined fully in 49 CFR 26.55, which definition is incorporated herein by reference.

**(B) Disadvantaged Business Enterprise (DBE):** a for-profit small business concern which meets both of the following requirements:

- (1) Is at least 51 percent owned by one or more socially and economically disadvantaged individuals or, in the case of any publicly owned business, at least 51 percent of the stock is owned by one or more such individuals; and,
- (2) Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

**(C) NAICS Code:** The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

**(D) Non-DBE:** any firm that is not a DBE.

**(E) Race-Conscious (RC):** a measure or program focused specifically on assisting only DBEs, including women-owned DBEs.

**(F) Race-Neutral (RN):** a measure or program used to assist all small businesses. For the purposes of this part, race-neutral includes gender-neutrality.

**(G) Small Business Concern (SBC):** a business that meets all of the following conditions:

- (1) Operates as a for-profit business registered to do business in Arizona;
- (2) Operates a place of business primarily within the U.S., or makes a significant contribution to the U.S. economy through payment of taxes or use of American products, materials, or labor;

- (3) Is independently owned and operated;
- (4) Is not dominant in its field on a national basis; and
- (5) Does not have annual gross receipts that exceed the Small Business Administration size standards average annual income criteria for its primary North American Industry Classification System (NAICS) code.

**(H) Socially and Economically Disadvantaged Individuals:** any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who is:

- (1) Any individual who is found to be a socially and economically disadvantaged individual on a case-by-case basis.
- (2) Any individual in the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged:
  - (i) "Black Americans," which includes persons having origins in any of the Black racial groups of Africa;
  - (ii) "Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;
  - (iii) "Native Americans," which includes persons who are enrolled members of federally or State recognized Indian tribe, Alaskan Natives or Native Hawaiians;
  - (iv) "Asian-Pacific Americans," which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Republic of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Tuvalu, Nauru, Federated States of Micronesia, or Hong Kong;
  - (v) "Subcontinent Asian Americans," which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka;
  - (vi) "Women;"
  - (vii) Any additional groups whose members are designated as socially and economically disadvantaged by the Small Business Administration (SBA),



at such time as the SBA designation becomes effective.

**4.0 Working with DBEs:**

The Department works with DBEs and assists them in their efforts to participate in the highway construction. All proposers should contact the Department's Business Engagement and Compliance Office (BECO) by phone, through email, or at the address shown below, for assistance in their efforts to use DBEs in the highway construction industry. BECO contact information is as follows:

Arizona Department of Transportation Business Engagement and Compliance  
Office 1801 W. Jefferson St., Ste. 101, Mail Drop 154A Phoenix, AZ 85007  
Phone (602) 712-7761  
FAX (602) 712-8429  
Email: [contractorcompliance@azdot.gov](mailto:contractorcompliance@azdot.gov) Website: [www.azdot.gov/bec](http://www.azdot.gov/bec)

**4.01 Mentor-Protégé Program:**

The Department has established a Mentor- Protégé program as an initiative to encourage and develop disadvantaged businesses in the highway construction industry. The program encourages prime contractors to provide certain types of assistance to certified DBE subcontractors. ADOT encourages contractors and certified DBE subcontractors to engage in a Mentor-Protégé agreement under certain conditions. Such an agreement must be mutually beneficial to both parties and to ADOT in fulfilling requirements of 49 CFR Part 23. For guidance regarding this program refer to the Mentor-Protégé Program Guidelines available on the BECO website.

The Mentor-Protégé program is intended to increase legitimate DBE activities. The program does not diminish the DBE rules or regulations, and participants may not circumvent these rules.

**5.0 Applicability:**

The Department has established an overall annual goal for DBE participation on Federal aid contracts. The Department intends for the goal to be met with a combination of race conscious efforts and race neutral efforts. Race conscious participation occurs when the contractor uses a percentage of DBEs, as defined herein, to meet the contract specified goal. Race neutral efforts are those that are, or can be, used to assist all small businesses or increase opportunities for all small businesses. The regulation, 49 CFR 26, defines race neutral as when a DBE wins a prime contract through customary competitive procurement procedures or is awarded a subcontract on a prime contract that does not carry a DBE contract goal.

Prime contractors are encouraged to obtain DBE participation even if a DBE goal was not established on a contract.

The DBE provisions are applicable to all contractors including DBE contractors.

**6.0 Certification and Registration:**

**6.1 DBE Certification:**

Certification as a DBE shall be predicated on:

- (1) The completion and execution of an application for certification as a "Disadvantaged Business Enterprise".
- (2) The submission of documents pertaining to the firm(s) as stated in the application(s), including but not limited to a statement of social disadvantage and a personal financial statement.
- (3) The submission of any additional information which the Department or the applicable Arizona Unified Certification (UCP) agency may require to determine the firm's eligibility to participate in the DBE program.
- (4) The information obtained during the on-site visits to the offices of the firm and to active job-sites.

Applications for certification may be filed online with the Department or the applicable UCP agency at any time through the Arizona Unified Transportation Registration and Certification System (AZ UTRACS) website at <http://www.azutracs.com>.

DBE firms and firms seeking DBE certification shall cooperate fully with requests for information relevant to the certification process. Failure or refusal to provide such information is a ground for denial or removal of certification.

ADOT is a member of the AZ Unified Certification Program (AZUCP). Only DBE firms that are certified by the AZUCP are eligible for credit on ADOT projects. A list of DBE firms certified by AZUCP is available on the internet at <http://www.azutracs.com/>. The list will indicate contact information and specialty for each DBE firm, and may be sorted in a variety of ways. However, ADOT does not guarantee the accuracy and/or completeness of this information, nor does ADOT represent that any licenses or registrations are appropriate for the work to be done.

The Department's certification of a DBE is not a representation of qualifications and/or abilities nor does it mean that a DBE firm is guaranteed or entitled to receive or be awarded a contract. Being certified simply means that a firm has met the criteria for DBE

certification as outlined in 49 CFR Part 26. The contractor bears all risks of ensuring that DBE firms selected by the contractor are able to perform the work.

**6.2 SBC Registration:**

To comply with 49 CFR Part 26.39, ADOT’s DBE Program incorporates contracting requirements to facilitate participation by Small Business Concerns (SBCs) in federally assisted contracts. SBCs are for-profit businesses authorized to do business in Arizona that meet the Small Business Administration (SBA) size standards for average annual revenue criteria for its primary North American Industry Classification System (NAICS) code.

While the SBC component of the DBE program does not require utilization of goals on projects, ADOT strongly encourages contractors to utilize small businesses that are registered in AZ UTRACS on their contracts, in addition to DBEs meeting the certification requirement. The contractor may use the AZ UTRACS website to search for certified DBEs and registered SBCs that can be used on the contract. However, SBCs that are not DBEs will not be counted toward DBE participation.

SBCs can register online at the AZ UTRACS website.

The Department’s registration of SBCs is not a representation of qualifications and/or abilities nor does it mean that an SBC firm is guaranteed or entitled to receive or be awarded a contract. Being SBC registered simply means that a firm has met the criteria for SBC registration as outlined in 49 CFR Part 26. The contractor bears all risks of ensuring that SBC firms selected by the contractor are able to perform the work.

**7.0 DBE Financial Institutions:**

The Department thoroughly investigates the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in its service area and makes reasonable efforts to use these institutions. The Department encourages prime contractors to use such institutions on USDOT assisted contracts. However, use of DBE financial institutions will not be counted toward DBE participation.

The Department encourages prime contractors to research the Federal Reserve Board website at [www.federalreserve.gov](http://www.federalreserve.gov) to identify minority-owned banks in Arizona derived from the Consolidated Reports of Condition and Income filed quarterly by banks (FFIEC 031 and 041) and from other information on the Board’s National Information Center database.

**8.0 Time is of the Essence:**

TIME IS OF THE ESSENCE IN RESPECT TO THE DBE PROVISIONS.

**9.0 Computation of Time:**

In computing any period of time described in this DBE special provision, such as calendar days, the day from which the period begins to run is not counted, and when the last day of the period is a Saturday, Sunday, or Federal or State holiday, the period extends to the next day that is not a Saturday, Sunday, or Federal or State holiday. In circumstances where the Department's offices are closed for all or part of the last day, the period extends to the next day on which the Department's offices are open.

**10.0 Contractor and Subcontractor Requirements:**

**10.1 General:**

Each contractor shall establish a program that will ensure nondiscrimination in the award and administration of contracts and subcontracts.

Agreements between the bidder and a DBE in which the DBE promises not to provide subcontracting quotations to other bidders are prohibited.

**10.2 DBE Liaison:**

The contractor shall designate a DBE Liaison responsible for the administration of the contractor's DBE program. The name of the designated DBE Liaison shall be included in the DBE Intended Participation Affidavit Summary.

**11.0 DBE Goals**

The Department has not established contract goals for DBE participation in this contract.

Contractors are still encouraged to employ reasonable means to obtain DBE participation. Contractors must retain records in accordance with these DBE specifications. The contractor is notified that this record keeping is important to the Department so that it can track DBE participation where only race neutral efforts are employed.

**11.1 Race Neutral Contract (With No DBE Goal)**

The Department has established a Disadvantaged Business Enterprise (DBE) program in accordance with the regulations of the U.S. Department of Transportation (USDOT), 49 CFR Part 26. ADOT has received federal financial assistance from the USDOT and as a condition of receiving this assistance, ADOT has signed an assurance that it shall comply with 49 CFR Part 26.

It is ADOT's policy to ensure that DBEs, as defined in 49 CFR Part 26, have an equal opportunity to receive and participate in federally-funded contracts.

NO CONTRACT DBE GOAL HAS BEEN ESTABLISHED FOR DBE PARTICIPATION ON THIS CONTRACT.

Contractors are still encouraged to employ reasonable means to obtain DBE participation. Contractors must retain records in accordance with these DBE specifications. The consultant is notified that this record keeping is important to the Department so that it can track DBE participation where only race neutral efforts are employed.

**12.0 Bidders/Proposers List and AZ UTRACS Registration Requirement:**

Under Title 49 CFR of the Code of Federal Regulations, Part 26.11, DOTs are required to collect certain information from all contractors and subcontractors who seek to work on federally-assisted contracts in order to set overall and contract DBE goals. ADOT collects this information when firms register their companies on the Arizona Unified Transportation Registration and Certification System (AZ UTRACS) web portal at <http://www.azutracs.com/> a centralized database for companies that seek to do business with ADOT. This information will be maintained as confidential to the extent allowed by federal and state law.

Prime contractors and all subcontractors, including DBEs listed in the offer must be registered in AZUTRACS. Proposers may verify that their firm and each subcontractor is registered using the AZUTRACS website.

Proposers may obtain additional information at the AZ UTRACS website or by contacting BECO.

All proposers shall create a Bidders/Proposers list in the AZ UTRACS by selecting all firms, service providers, and vendors that expressed interest or submitted proposals or quotes for this contract. The Bidders/Proposers List form must be complete and must include the names for all subcontractors, service providers, and vendors that submitted proposals or quotes on this project regardless of the proposer's intentions to use those firms on the project.

All proposers must complete and submit the Bidders/Proposers List online at AZ UTRACS prior to Offer submittal. A confirmation email will be generated by the system. This email confirmation shall be submitted with the Offer.

FAILURE TO SUBMIT THE REQUIRED BIDDERS/PROPOSERS LIST CONFIRMATION EMAIL WITH THE OFFER BY THE STATED TIME AND IN THE MANNER HEREIN SPECIFIED AND AS OUTLINED IN THE RFQ SHALL BE CAUSE FOR THE PROPOSER'S OFFER TO BE REJECTED.

**13.0 Payment Reporting:**

The contractor shall report on a monthly basis indicating the amounts paid to all subcontractors, of all tiers, working on the project. Reporting shall be in accordance with below.

**Subcontracts:**

a. Sub-Contract Terms:

1. The Contractor agrees to execute a written Contract with all Subcontractors for work to be completed under this Contract. The executed Contract shall include Subcontractor's Scope of Work and all the Uniform Terms and Conditions set forth in this Contract.
2. The Contractor shall provide electronic copies of signed subcontract agreements with all Subcontractors to ADOT Business Engagement and Compliance Office (BECO) by uploading them to the BECO's online DBE Contract & Labor Compliance Management System (**DBE System**) at <https://adot.dbesystem.com>. Subcontract agreements shall include all required assurances and required clauses as outlined in this Contract. Each agreement and required attachment shall be dated and signed by the Subcontractor in order for the subcontract to be considered valid.
3. The Contractor may be in breach of this Contract if the Contractor materially modifies the federal regulations and State statutes in its subcontract agreements terms and conditions with its Subcontractors. Deviations from the terms of this Contract may result in termination of the Contract, or any other such remedy as deemed appropriate by the Department.

b. Sub-Contract Payments

1. Retention: If the prime contract does not provide for retention, the contractor and each subcontractor of any tier shall not withhold retention on any subcontract. If the prime contract provides for retention, the prime contractor and each subcontractor of any tier shall not retain a higher percentage than the Department may retain under the prime contract. Retainage shall be paid to the subcontractor within 7 days of satisfactory completion of the work performed by the subcontractor.
2. No Set-offs Arising from Other Contracts: If a subcontractor is performing work on multiple contracts for the same contractor or subcontractor of any tier, the contractor or subcontractor of any tier shall not withhold or reduce payment from its subcontractors on the contract because of disputes or claims on another contract.
3. Partial Payment: The contractor and each subcontractor of any tier shall make prompt partial payments to its subcontractors within seven days of receipt of payment from the Department. Notwithstanding any provision of Arizona

Revised Statutes Section 28-411, the parties may not agree otherwise.

4. Final Payment: The contractor and each subcontractor of any tier shall make prompt final payment to each of its subcontractors. The contractor and each subcontractor of any tier shall pay all monies, including retention, due to its subcontractor within seven days of receipt of payment. Notwithstanding any provision of Arizona Revised Statutes Section 28-411, the parties may not agree otherwise.
5. Payment Reporting: For the purposes of this subsection “Reportable Contracts” means any subcontract, of any tier, DBE or non-DBE, by which work shall be performed on behalf of the contractor and any contract of any tier with a DBE material or service supplier.

The requirements of this subsection apply to all Reportable Contracts.

Payment Reporting for all Reportable Contracts shall be done through the Department’s web- based DBE System. The DBE System can be accessed from the Department’s BECO website. No later than fifteen calendar days after the Notice to Proceed is issued, the contractor shall log into the Department’s web based DBE System and enter or verify the name, contact information, and subcontract amounts for Reportable Contracts on the project. As Reportable Contracts are approved over the course of the contract, the contractor shall enter them in the system. Reportable contracts shall be entered into the system no later than five calendar days after approval by the Department.

The contractor shall report on a monthly basis indicating the amounts actually paid and the dates of each payment under any Reportable Contract on the project. In addition, the contractor shall require that all participants in any Reportable Contract electronically verify receipt of payment on the contract by the last day of the month and the contractor shall actively monitor the Department’s DBE System to ensure that the verifications are input. The contractor shall proactively work to resolve any payment discrepancies in the DBE System between payment amounts it reports and payment confirmation amounts reported by others.

The contractor shall ensure that all Reportable Contract activity is reported to the Department. This includes all lower-tier Reportable Contracts, regardless of whether a DBE is involved or not.

The contractor shall maintain records for each payment explaining the amount requested by the subcontractor, and the amount actually paid pursuant to the request, which may include but are not limited to, estimates, invoices, pay requests, copies of checks or wire transfers, and lien waivers in support of the monthly payments in the DBE System.

The contractor shall provide information for payments made on all Reportable Contracts during the previous month by the 15th day of the current month. In the event that no payments were made during a given month, the contractor shall identify that by entering a dollar value of zero. If the contractor does not

pay the full amount of any invoice from a subcontractor, the contractor shall note that and provide the reasons in the comment section of the Monthly Payment Audit of the DBE System.

For each Reportable Contract on which the contractor fails to submit timely payment information the Department will retain \$1,000.00 as liquidated damages, from the monies due to the contractor. Liquidated damages will be deducted each month for each Reportable Contract on which the contractor fails to submit payment information until the contractor provides the required information as described herein. After 90 consecutive days of non-reporting, the liquidated damages will increase to \$2,000.00 for each subsequent month, for each Reportable Contract on which the contractor fails to report until the information is provided. These liquidated damages shall be in addition to all other retention or liquidated damages provided for elsewhere in the contract.

Payment reporting requirements apply to all contracts, federal and non-federal funded.

The contractor shall ensure that a copy of this Subsection is included in every Reportable Contract of every tier.

(a) Sanctions for Inadequate Reporting:

For each Reportable Contract on which the contractor fails to submit timely and complete payment information the Department will retain \$1,000.00 as liquidated damages, from the monies due to the contractor. Liquidated damages will be deducted each month for each Reportable Contract on which the contractor fails to submit payment information until the contractor provides the required information as described herein. After 90 consecutive days of non-reporting, the liquidated damages will increase to \$2,000.00 for each subsequent month, for each Reportable Contract on which the contractor fails to report until the information is provided. These liquidated damages shall be in addition to all other retention or liquidated damages provided for elsewhere in the contract.

6. Completion of Work: A subcontractor's work is satisfactorily completed when all the tasks called for in the subcontract have been accomplished, documented, and accepted by the Department.
7. Disputes: If disputes arise regarding payment of subcontractors, the contractor shall immediately provide the ADOT Project Manager with a written, verifiable explanation if:
  - The contractor does not pay the full amount of any invoice from a subcontractor within seven days of receipt of a progress payment from the Department, or
  - The monthly estimate does not include all work claimed by a subcontractor to have been performed.



The Department will determine whether the contractor has acted in good faith concerning any such explanations. The Department reserves the right to request and receive documents from the contractor and all subcontractors of any tier, in order to determine whether termination requirements were met. The contractor shall implement and use the dispute resolution process outlined in the subcontract, as described in Uniform Terms and Conditions Paragraph, to resolve payment disputes.

8. Non-Compliance: Failure to make prompt partial payment or prompt final payment including any retention, within the time frames established in this contract, will result in remedies, as the Department deems appropriate, which may include, but are not limited to:

- Liquidated Damages: These liquidated damages shall be in addition to all other retention or liquidated damages provided for elsewhere in the contract.

- (i) The Department will withhold two times the disputed dollar amount not paid to each subcontractor.
- (ii) If full payment is made within 30 days of the Department's payment to the contractor, the amount withheld by the Department will be released.
- (iii) If full payment is made after 30 days of the Department's payment to the contractor, the Department will release 75 percent of the funds withheld. The Department will retain 25 percent of the monies withheld as liquidated damages.

- Additional Remedies: If the contractor fails to make prompt payment for three consecutive months, or any four months over the course of one project, or if the contractor fails to make prompt payment on two or more contracts within 24 months, the Department may, in addition, invoke the following remedies:

- (i) Withhold monthly progress payments until the issue is resolved and full payment has been made to all subcontractors and vendors subject to the requirements outlined under "Liquidated Damages" above,
- (ii) Terminate the contract for default in accordance with this Contract, and/or
- (iii) Suspension or Debarment per Uniform Terms and Conditions Paragraph 9.3 of the contractor from future bidding temporarily or permanently, depending on the number and severity of violation.
- (iv) Reflect the contractor's performance in submitting payment reports and making subcontractor payments utilizing the Department's Vendor Performance Report.

**14.0 Crediting DBE Participation:**

**14.01 General Requirements:**

To count toward DBE participation, the DBE firms must be certified at the time of Offer submission in each NAICS code applicable to the kind of work the firm will perform on the contract. NAICS for each DBE can be found on the AZ UTRACS website. General descriptions of all NAICS codes can be found at <http://www.naics.com/search/>.

Credit is given only after the DBE has been paid for the work performed.

The entire amount of a contract that is performed by the DBE's own forces, including the cost of supplies and materials purchased by the DBE for the work on the contract and equipment leased by the DBE will be credited toward DBE participation. Supplies and equipment the DBE subcontractor purchases or leases from the prime contractor or its affiliate will not be credited toward DBE participation.

The contractor bears the responsibility to determine whether the DBE possesses the proper contractor's license(s) to perform the work and, if DBE credit is requested, that the DBE subcontractor is certified for the requested type of work.

The Department's certification is not a representation of a DBE's qualifications and/or abilities. The contractor bears all risks that the DBE may not be able to perform its work for any reason.

A DBE may participate as a prime contractor, subcontractor, or as a vendor of materials or supplies. The dollar amount of work to be accomplished by DBEs, including partial amount of a lump sum or other similar item, shall be on the basis of subcontract, purchase order, hourly rate, rate per ton, etc., as agreed to between parties.

DBE credit may be obtained only for specific work done for the project, supply of equipment specifically for physical work on the project, or supply of materials to be incorporated in the work. DBE credit will not be allowed for costs such as overhead items, capital expenditures (for example, purchase of equipment), and office items.

The contractor may credit second-tier subcontracts issued to DBEs by non-DBE subcontractors. Any second-tier subcontract to a DBE must meet the requirements of a first-tier DBE subcontract.

A prime contractor may credit the entire amount of that portion of a contract that is performed by the DBE's own forces. The cost of supplies and materials obtained by the DBE for the work of the contract can be included so long as that cost is reasonable. Leased equipment may also be included. No credit is

permitted for supplies purchased or equipment leased from the prime contractor or its affiliate(s).

When a DBE subcontracts a part of the work of its contract to another firm, the value of the subcontract may be credited towards DBE participation only if the DBE's subcontractor is itself a DBE and performs the work with its own forces. Work that a DBE subcontracts to a non-DBE firm does not count toward DBE participation.

A prime contractor may credit the entire amount of fees or commissions charged by a DBE firm for providing a bona fide service, such as professional, technical, consulting, or managerial services, or for providing bonds or insurance specifically required for the performance of a USDOT-assisted contract, provided the fees are reasonable and not excessive as compared with fees customarily allowed for similar services.

**14.02 DBE Prime Contractor:**

When a certified DBE firm proposes on a contract/Task Assignment all the work that is performed by the DBE contractor or any other DBE subcontractors and DBE suppliers will count toward DBE participation.

**14.03 Effect of Loss of DBE Eligibility:**

For On-Call Task Assignment contracts, if a DBE is deemed ineligible (decertified) or suspended by ADOT or one of its UCP Partner Agencies in accordance with 49 CFR 26.87 and 26.88, the DBE may not be count toward DBE participation on a new Task Assignment, but may be considered for the contract/Task Assignment DBE participation if a subcontractor contract modification for the work to be completed on the Task Assignment was executed before the DBE suspension or decertification is effective.

A subcontractor contract modification for work on the task assignment means, any subcontract or agreement for the task assignment, which includes a specific ADOT TRACS/Project Number, defined scope, duration and budget for the work to be completed under the Task Assignment that is duly signed by the contractor/contractor and subcontractor/subcontractor.

When the contractor/contractor intends to use an ineligible DBE firm or ADOT made a commitment to use an ineligible DBE prime contractor/contractor, but a subcontract or Contract Modification for the work to be completed on the Task Assignment has not been executed before a decertification notice is issued to the DBE firm by its certifying agency, the ineligible firm does not

count toward DBE participation. When a subcontract or contract modification is executed with the DBE firm for the work to be completed on the Task Assignment before ADOT notified the firm of its ineligibility, the DBE's work on the Task Assignment may continue to be credited toward DBE participation for the firm's work.

**14.04 Notifying the Contractor of DBE Certification Status:**

Each DBE contract at any tier shall require any DBE subcontractor or supplier that is either decertified or certified during the term of the contract to immediately notify the contractor and all parties to the DBE contract in writing, with the date of decertification or certification. The contractor shall require that this provision be incorporated in any contract of any tier in which a DBE is a participant.

**14.05 Commercially Useful Function:**

A prime contractor can credit expenditures to a DBE subcontractor only if the DBE performs a Commercially Useful Function (CUF).

A DBE performs a CUF when it is responsible for execution of the work of a contract and carries out its responsibilities by actually performing, managing, and supervising the work involved. To perform a commercially useful function, the DBE must also be responsible, with respect to materials and supplies on the contract, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable) and paying for the material itself that it uses on the project. To determine whether a DBE is performing a commercially useful function, the Department will evaluate the amount of work subcontracted, industry practices, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually performing and the DBE credit claimed for its performance of the work, and other relevant factors.

A DBE will not be considered to perform a commercially useful function if its role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of DBE participation. In determining whether a DBE is such an extra participant, the Department will examine similar transactions, particularly those in which DBEs do not participate.

If a DBE does not perform or exercise responsibility for at least 30 percent of the total cost of its contract with its own workforce, or if the DBE subcontracts a greater portion of the work of a contract than would be expected on the basis of normal industry practice for the type of work involved, the

Department will presume that the DBE is not performing a commercially useful function.

When a DBE is presumed not to be performing a commercially useful function as provided above, the DBE may present evidence to rebut this presumption. The Department will determine if the firm is performing a CUF given the type of work involved and normal industry practices.

The Department will notify the contractor, in writing, if it determines that the contractor's DBE subcontractor is not performing a CUF. The contractor will be notified within seven calendar days of the Department's decision.

Decisions on CUF may be appealed to the Chief Procurement Officer (CPO). The appeal must be in writing and personally delivered or sent by certified mail, return receipt requested, to the CPO. The appeal must be received by the CPO no later than seven calendar days after the decision of BECO. BECO's decision remains in place unless and until the CPO reverses or modifies BECO's decision. CPO will promptly consider any appeals under this subsection and notify the contractor of CPO's findings and decisions. Decisions on CUF matters are not administratively appealable to USDOT.

The BECO may conduct project site visits on the contract to confirm that DBEs are performing a CUF. The contractor shall cooperate during the site visits and the BECO's staff will make every effort not to disrupt work on the project.

**15.0 Required Provisions for DBE Subcontracts:**

All subcontracts of any tier, all supply contracts, and any other contracts in which a DBE is a participant shall include as a physical attachment, DBE Subcontractor Compliance Assurances refer to the Federal Attachments and Exhibits.

Contractors executing agreements with subcontractors, DBE or non-DBE, that materially modify federal regulation and state statutes such as, prompt payment and retention requirements, through subcontract terms and conditions will be found in breach of contract which may result in termination of the contract, or any other such remedy as the deemed appropriate as outlined in DBE Subsection 2.0 of these DBE provisions.

The Department reserves the right to conduct random reviews of DBE and non-DBE subcontract documentation to ensure compliance with federal requirements.

The contractor shall ensure that all subcontracts or agreements with DBEs to supply labor or materials require that the subcontract and all lower tier subcontracts be performed in accordance with 49 CFR Part 26 provisions.

The Contractor shall provide electronic copies of subcontract agreements with all Subcontractors by uploading them within 15 calendar days of an executed contract to the ADOT DBE System. Subcontract agreements shall include all required assurances and clauses as outlined in DBE Subcontractor Compliance Assurances refer to the Federal Attachments and Exhibits of the Contract. Each agreement and required attachment shall be dated and signed by the Subcontractor in order for the subcontract to be considered valid.

The Contractor shall be in breach of this Contract if the Contractor materially modifies the federal regulations and State statutes in its subcontract agreements terms and conditions with its Subcontractors. Deviations from the terms of this Contract may result in termination of the Contract, or any other such remedy as deemed appropriate by the Department

**16.0 Certification of Final DBE Payments:**

DBE participation on the contract is measured by actual payments made to the DBEs. The contractor shall submit the “Certification of Final DBE Payments” form for each DBE firm working on the contract. This form shall be signed by the contractor and the relevant DBE, and submitted to the Engineer no later than 30 days after the DBE completes its work.

The contractor will not be released from the obligations of the contract until the “Certification of Final DBE Payments” forms are received and deemed acceptable by the Engineer and BECO.

**17.0 False, Fraudulent, or Dishonest Conduct:**

In addition to any other remedies or actions, the Department will bring to the attention of the US Department of Transportation any appearance of false, fraudulent, or dishonest conduct in connection with the DBE program, so that USDOT can take steps such as referral to the Department of Justice for criminal prosecution, referral to the USDOT Inspector General for possible initiation of suspension and debarment proceedings against the offending parties or application of “Program Fraud and Civil Penalties” rules provided in 49 CFR Part 31.

**19. ENERGY CONSERVATION**

The contractor agrees to comply with mandatory standards and policies relating to energy efficiency, stated in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

**20. FEDERAL CHANGES**

The Contactor and its subcontractors shall comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between the Department and FTA, as they be amended or promulgated from time to time during the term of the contract. Contractor's failure to comply shall constitute a material breach of the contract.

**21. FLY AMERICA**

The Contractor agrees to comply with 49 U.S.C. 40118 (the "Fly America" Act) in accordance with the General Services Administration's regulations at 41 CFR Part 301-10, which provide that recipients of Federal funds and their contractors are required to use U.S. Flag air carriers for U.S Government- financed international air travel and transportation of their personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. The Contractor shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service by a U.S. flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. The Contractor agrees to include the requirements of this section in all subcontracts that may involve international air transportation.

**22. NO FEDERAL GOVERNMENT OBLIGATIONS TO THIRD PARTIES**

The Department and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this contract and shall not be subject to any obligations or liabilities to the Department, Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by Federal Funding Agency. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

**23. NOTIFICATION OF FEDERAL PARTICIPATION**

To the extent required by law, in the announcement of any third party contract award for goods and services (including construction services) having an aggregate value of \$500,000 or more, contractor shall specify the amount of Federal assistance to be used in financing that acquisition of goods and services and to express that amount of Federal assistance as a percentage of the total cost of the third party contract.

**24. ORGANIZATIONAL CONFLICTS OF INTEREST**

The Recipient agrees that it will not enter into a procurement that involves a real or apparent organizational conflict of interest described as follows:

(1) When It Occurs. An organizational conflict of interest occurs when the Project work, without appropriate restrictions on certain future activities, results in an unfair competitive advantage:

- (a) To that Third Party Participant or another Third Party Participant performing the Project work, and
- (b) That impairs that Third Party Participant's objectivity in performing the Project work, or

(2) Other. An organizational conflict of interest may involve other situations resulting in fundamentally unfair competitive conditions,

(3) Disclosure Requirements. Consistent with FTA policies, the Recipient must disclose to FTA, and each of its Subrecipients must disclose to the Recipient:

- (a) Any instances of organizational conflict of interest, or
- (b) Violations of federal criminal law, involving fraud, bribery, or gratuity violations potentially affecting the federal award, and

(4) Failure to Disclose. Failure to make required disclosures can result in remedies for noncompliance, including debarment or suspension.

**25. PRE-AWARD AND POST-DELIVERY AUDITS OF ROLLING STOCK PURCHASES**

The Contractor agrees to comply with 49 U.S.C. § 5323(m) and FTA's implementing regulation at 49 C.F.R. part 663. The Contractor shall comply with the Buy America certification(s) submitted with its proposal/bid. The Contractor agrees to participate and cooperate in any pre-award and post-delivery audits performed pursuant to 49 C.F.R. part 663 and related FTA guidance.

**26. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS AND RELATED ACTS**

Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. §3801 et seq. and U.S.DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. part 31, apply to its actions pertaining to this project.

Upon execution of the underlying contract, contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim,



statement, submittal, or certification, the US Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act (1986) on contractor to the extent the US Government deems appropriate.

The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. Chapter 53, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) (5323(l)) on the Contractor, to the extent the Federal Government deems appropriate.

Contractor shall include the above two clauses in each subcontract financed in whole or in part with FTA assistance. The clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

**27. PROMPT PAY**

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 7 days from the receipt of each payment the prime contract receives from the Recipient. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractors work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Recipient. This clause applies to both DBE and non-DBE subcontracts.

**28. RESTRICTIONS ON LOBBYING**

The Contractor agrees to comply with the provisions of Title 31, U.S. C 1352 as amended by the Lobbying Disclosure Act of 1995, P.L. 104-65 [to be codified at 2 U.S.C. 1601, et seq.] and (Public Law 101.121) as codified in Title 48, Federal Acquisition Regulations Subpart 3.8 and Subpart 52.203-11. The legislation prohibits Federal funds from being expended by a recipient or any lower tier sub- recipients of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence a Federal agency or Congress in connection with the award of any Federal contract, the making of any Federal grant or loan, or entering into any cooperative agreement, including the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement. All disclosure statements are to be furnished to the Department.

Contractors who apply or propose/bid for an award of \$100,000 or more in value shall file the attached Lobbying Certification {01 Lobbying Certification document} required by 49 CFR part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in

connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient.

**29. SAFE OPERATION OF MOTOR VEHICLES**

a. Seat Belt Use. The Recipient agrees to implement Executive Order No. 13043, "Increasing Seat Belt Use in the United States," April 16, 1997, 23 U.S.C. § 402 note, (62 Fed. Reg. 19217), by:

- (1) Adopting and promoting on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned vehicles, company-rented vehicles, or personally operated vehicles, and
- (2) Including a "Seat Belt Use" provision in each third party agreement related to the Award.

b. Distracted Driving, Including Text Messaging While Driving. The Recipient agrees to comply with:

- (1) Executive Order No. 13513, "Federal Leadership on Reducing Text Messaging While Driving," October 1, 2009, 23 U.S.C. § 402 note, (74 Fed. Reg. 51225),
- (2) U.S. DOT Order 3902.10, "Text Messaging While Driving," December 30, 2009, and
- (3) The following U.S. DOT Special Provision pertaining to Distracted Driving:

(a) Safety. The Recipient agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while using an electronic device supplied by an employer, and driving a vehicle the driver owns or rents, a vehicle Recipient owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the Award, or when performing any work for or on behalf of the Award,

(b) Recipient Size. The Recipient agrees to conduct workplace safety initiatives in a manner commensurate with its size, such as establishing new rules and programs to prohibit text messaging while driving, re-evaluating the existing programs to prohibit text messaging while driving, and providing education, awareness, and other outreach to employees about the safety risks associated with texting while driving, and

(c) Extension of Provision. The Recipient agrees to include the preceding Special Provision of section 34.b (3) (a) – (b) of this Master Agreement in its third party agreements, and encourage its Third Party Participants to comply with this Special Provision, and include this Special Provision in each third party sub agreement at each tier supported with federal assistance.

**30. REAL PROPERTY**

Any contract entered into shall contain the following provisions: Contractor shall at all times comply with all applicable statutes and USDOT regulations, policies, procedures and directives governing the acquisition, use and disposal of real property, including, but not limited to, 49 CFR 18.31-18.34, 49 CFR 19.30-19.37, 49 CFR Part 24, 49 CFR 5326 as amended by Map-21, 49 CFR part 18 or 19, 49 U.S.C. 5334, applicable FTA Circular 5010, and FTA Master Agreement, as they may be amended or promulgated during the term of this contract. Contractor's failure to comply shall constitute a material breach of this contract.

**31. TERMINATION**

Termination of the contract shall be in accordance with the Uniform Terms and Conditions, Section 9., paragraph 9.1 through 9.6.

**32. TERMS OF THE MASTER AGREEMENT AND COMPLIANCE**

Contractor shall at all times comply with all applicable Federal Funding Agency laws, regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement, available at <https://www.transit.dot.gov/funding/grantee-resources/sample-fta-agreements/fta-grant-agreements>, between the Department and FTA, as they may be amended or promulgated from time to time during the term of this contract. This Master Agreement does not have an Expiration Date. This Master Agreement continues to apply to the Recipient and its Underlying Agreement, until modified or superseded by a more recently enacted or issued applicable federal law, regulation, requirement, or guidance, or amendment to this Master Agreement or the Underlying Agreement. To assure compliance the Recipient must take measures to assure that other participants in its Underlying Agreements (*e.g.*, Third Party Participants) comply. Contractor's failure to comply shall constitute a material breach of this contract.

All contractual provisions required by the U.S. Department of Transportation are hereby incorporated by reference. In the event of additional funding provided by FHWA, the applicable requirements of the Stewardship Agreement, available at: <https://www.fhwa.dot.gov/federalaid/stewardship/>, between the Department and FHWA are incorporated by reference.

**EXHIBIT 1**  
**Title VI/Non-Discrimination Assurances**  
**Appendix A**

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During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

- 1. Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, the *Federal Highway Administration*, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
- 2. Non-discrimination:** The contractor, with regard to the work performance by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.
- 3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
- 4. Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the *Federal Highway Administration* to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the *Federal Highway Administration*, as appropriate, and will set forth what efforts it has made to obtain the information.
- 5. Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the *Federal Highway Administration*, may determine to be appropriate, including, but not limited to:
  - a. withholding payments to the contractor under the contract until the contractor complies; and/or
  - b. cancelling, terminating, or suspending a contract, in whole or in part.
- 6. Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with request to any subcontract or procurement as the Recipient or the *Federal Highway Administration* may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that **if** the contractor becomes involved in, or is threatened with litigation by a subcontractor or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

**EXHIBIT 2**  
**Title VI/Non-Discrimination Assurances**  
**Appendix E**

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During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

**Pertinent Non-Discrimination Authorities:**

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin): and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 *et seq.*), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1687 *et seq.*).



**Exhibit NO 4.**  
**PRE-AWARD CERTIFICATION FOR PROCUREMENT OF**  
**ROLLING STOCK (Recipient)**

**BUY AMERICA REQUIREMENTS:** Contractor shall complete and submit a declaration certifying either compliance or noncompliance with Buy America. If contractor certifies compliance with Buy America, it shall submit documentation listing:

- A. Component and subcomponent parts of the rolling stock to be purchased identified by manufacturer of the parts, their country of origin and costs; and
- B. The location of the final assembly point for the rolling stock, including a description of the activities that will take place at the final assembly point and the cost of final assembly.
- C. Solicitation Specification Requirements: Contractor shall submit evidence that it will be capable of meeting the bid specifications.
- D. Federal Motor Vehicle Safety Standards (FMVSS): Contractor shall submit 1) manufacturer's FMVSS self-certification sticker information that the vehicle complies with relevant FMVSS or 2) manufacturer's certified statement that the buses will not be subject to FMVSS regulations.

As required by Title 49 of the CFR, Part 663 – Subpart B, \_\_\_\_\_ (the recipient) is satisfied that the buses to be purchased, \_\_\_\_\_ (number and description of buses) from \_\_\_\_\_ (the manufacturer), meet the requirements of Section 165(b)(3) of the Surface Transportation Assistance Act of 1982, as amended. The recipient or its appointed analyst \_\_\_\_\_ the analyst, not the manufacturer or its agent), has reviewed documentation provided by the manufacturer, which lists (1) the proposed component and subcomponent parts of the buses identified by manufacturer, country of origin, and cost; and (2) the proposed location of the final assembly point for the buses, including a description of the activities that will take place at the final assembly point and the cost of final assembly.

**PREAWARD PURCHASER’S REQUIREMENTS CERTIFICATION**

As required by Title 49 of the CFR, Part 663 – Subpart B, \_\_\_\_\_ (the recipient) certifies that the buses to be purchased, \_\_\_\_\_ (number and description of buses) from \_\_\_\_\_ (the manufacturer), are the same product described in the recipient’s solicitation specification and that the proposed manufacturer is a responsible manufacturer with the capability to produce a bus that meets the specifications.

**PREAWARD FMVSS COMPLIANCE CERTIFICATION**

As required by Title 49 of the CFR, Part 663 – Subpart D, \_\_\_\_\_ (the recipient) certifies that it received, at the pre-award stage, a copy of \_\_\_\_\_’s (the manufacturer) self-certification information stating that the buses, \_\_\_\_\_ (number and description of buses), will comply with the relevant Federal Motor Vehicle Safety Standards issued by the National Highway Traffic Safety Administration in Title 49 of the Code of Federal Regulations, Part 571.

Date : \_\_\_\_\_

Signature : \_\_\_\_\_

Title : \_\_\_\_\_

**PRE-AWARD AUDIT REQUIREMENTS:** A recipient purchasing revenue service rolling stock with FTA funds must ensure that a pre-award audit under this part is complete before the recipient enters into a formal contract for the purchase of such rolling stock.

**DESCRIPTION OF PRE-AWARD AUDIT:** A pre-award audit under this part includes— (a) A Buy America Certification; (b) A purchaser's requirements certification; and (c) Where appropriate, a manufacturer's Federal Motor Vehicle Safety certification information.

**PREAWARD BUY AMERICA CERTIFICATION:** For purposes of this part, a pre-award Buy America certification is a certification that the recipient keeps on file that:

- a. There is a letter from FTA which grants a waiver to the rolling stock to be purchased from the Buy America requirements under section 165(b)(1), (b)(2), or (b)(4) of the Surface Transportation Assistance Act of 1982, as amended; or
- b. The recipient is satisfied that the rolling stock to be purchased meets the requirements of section 165(a) or (b)(3) of the Surface Transportation Assistance Act of 1982, as amended, after having reviewed itself or through an audit prepared by someone other than the manufacturer or its agent documentation provided by the Manufacturer which lists:
  1. The Component and subcomponent parts of the rolling stock that are produced in the United States is more than sixty percent (60%) of the cost of all components and subcomponents of the vehicle Identified by the manufacturer; and
  2. The location of the final assembly must take place in the United States (49 CFR 661.11), including a description of the activities that will take place at the final assembly point and the cost of final assembly.

**PRE-AWARD PURCHASERS REQUIREMENTS CERTIFICATION:** For purposes of this part, a pre-award purchaser's requirements certification is a certification a recipient keeps on file that:

- a. The rolling stock the recipient is contracting for is the same product described in the purchaser's solicitation specification; and
- b. The proposed manufacturer is a responsible manufacturer with the capability to produce a vehicle that meets the recipient's specification set forth in the recipient's solicitation.

If buses or other rolling stock (including train control, communication, and traction power equipment) are being procured, the appropriate certificate as set forth below shall be completed and submitted by each bidder in accordance with the requirements in 49 CFR 661.13(b).

**PRE-AWARD FMVSS COMPLIANCE CERTIFICATION:** As required by Title 49 of the CFR, Part 663 – Subpart D, the recipient certifies that it received, at the pre-award stage, a copy of the manufacturers self-certification information stating that the buses will comply with the relevant Federal Motor Vehicle Safety



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Standards issued by the National Highway Traffic Safety Administration in Title 49 of the Code of Federal Regulations, Part 571.

**Bidder or Offeror Certificate of COMPLIANCE with Buy America and FMVSS Rolling Stock Requirements**

As required by 49 CFR Part 663, the bidder or offeror hereby certifies that it will comply with the requirements of 49 U.S.C. 5323(j), and the applicable regulations of 49 CFR 661.11.

Company \_\_\_\_\_

Name \_\_\_\_\_ Title \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

**Bidder or Offeror Certificate of NONCOMPLIANCE with Buy America and FMVSS Rolling Stock Requirements**

As required by 49 CFR Part 663, the bidder or offeror hereby certifies that it cannot comply with the requirements of 49 U.S.C. 5323(j), but may qualify for an exception to the requirement consistent with 49 U.S.C. 5323(j)(2), as amended, and the applicable regulations in 49 CFR 661.7.

Company \_\_\_\_\_

Name \_\_\_\_\_ Title \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

**Exhibit NO. 6**  
**ON-SITE MANUFACTURER INSPECTION COMPLIANCE**  
**CERTIFICATION**

(Post-Delivery purchaser's requirement, in compliance with the federal requirements of 49 U.S.C. Section 5323(m))

**ON-SITE MANUFACTURER INSPECTION COMPLIANCE CERTIFICATION**

**(Rolling Stock Procurements for more than 10 vehicles for areas >200,000 in population)**

As required by 49 CFR Part 663 Subpart C, the

\_\_\_\_\_ (Recipient's name)

Certifies that a resident inspector,

\_\_\_\_\_ (Name of inspector)

Was at

\_\_\_\_\_ (the manufacturer's)

manufacturing site during the period of manufacture of the buses,

\_\_\_\_\_ (description of buses).

The inspector visually inspecting the buses, the \_\_\_\_\_ (the recipient) has reviewed the inspection documentation, maintains a copy of this report, and certifies that the buses meet the contract specifications.

**ON-SITE MANUFACTURER INSPECTION COMPLIANCE CERTIFICATION**

**(Rolling Stock Procurements for more than 20 vehicles for areas < 200,000 in population)**

As required by 49 CFR Part 663 Subpart C, the

\_\_\_\_\_ (Recipient's name)

Certifies that a resident inspector,

\_\_\_\_\_ (Name of inspector)

Was at

\_\_\_\_\_ (the manufacturer's)

manufacturing site during the period of manufacture of the buses,

\_\_\_\_\_ (description of buses).

The inspector visually inspecting the buses, the \_\_\_\_\_ (the recipient) has reviewed the inspection documentation, maintains a copy of this report, and certifies that the buses meet the contract specifications.

Signature \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

Title \_\_\_\_\_



# ARIZONA DEPARTMENT OF TRANSPORTATION

Procurement

## CERTIFICATION OF FINAL DISADVANTAGED BUSINESS ENTERPRISE (DBE) PAYMENT

Procurement Contracts

(submit one form for each DBE involved in contract)

The undersigned Contractor, in accordance with Contract No. \_\_\_\_\_, hereby certifies that full payment was made to the firm indicated for material and/or work performed under this project's contract as follows:

DBE firm AZ UTRACS Registration # \_\_\_\_\_

Name of DBE Firm \_\_\_\_\_ was paid the amount of \_\_\_\_\_

This certificate is made under Federal and State Laws concerning false statement. Supporting documentation for this payment is subject to audit and should be retained for a minimum of three years from project acceptance date. In the event the DBE was not paid in accordance with affidavits submitted by the prime contractor, all documentation supporting the contractor's position should be submitted.

I DECLARE UNDER PENALTY OF PERJURY IN THE SECOND DEGREE, AND ANY OTHER APPLICABLE STATE OR FEDERAL LAWS, THAT THE STATEMENT MADE ON THIS DOCUMENT ARE TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

**Contractor Company Name:** \_\_\_\_\_

Check One:  Prime Contractor  Subcontractor

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

The undersigned subcontractor/supplier/manufacturer for the above named project hereby certified that payments were received and/or justification by contractor is correct.

I DECLARE UNDER PENALTY OF PERJURY IN THE SECOND DEGREE, AND ANY OTHER APPLICABLE STATE OR FEDERAL LAWS, THAT THE STATEMENT MADE ON THIS DOCUMENT ARE TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

**DBE Firm Name:** \_\_\_\_\_

Check One:  Subcontractor/Supplier/Manufacturer  Lower-tier Subcontractor/Supplier/Manufacturer

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

BECO Form 310PS (Rev 09-23-2021)

# PRICING SHEET

Medium and Heavy Duty Cabs, Chassis and Busses

OFFEROR RWC International

## Category 1: Medium and Heavy Duty Cabs and Chassis

Instructions: The basis for pricing shall be fixed discount(s) off Manufacturers Suggested Retail Price (MSRP). The discount offers shall clearly identify the percent of discount to apply to the contract category. Proposed products shall be for Medium and Heavy Duty Cabs and Chassis in current production and marketed to the general public and education/government agencies at the time the proposal is submitted. For each manufacturer and/or product line offered, include at minimum, manufacturer's name, model or classification and percent off of MSRP for each phase.

### Phase One (1) off the Line pricing

Manufacturer/Model/Classification	Percent Off of MSRP
International/CV515/Class 4,5,6	1%
International/eMV607/Class 6, 7 and 8	1%
International/MV607LP/Class 5,6,7 and 8	26%
International/MV607 SBA/Class 5, 6 and 7	26%
International/HV507 SFA/Class 6, 7, 8	26%
International/HV607 SBA/Class 6,7 and 8	26%
International/HV513 SFA/ Class 7 and 8	42%
International/HV613 SBA/ Class 7 and 8	42%
International/HX520 SFA/Class 8	42%
International/HX620 SBA/Class 8	42%
International/RH613 6x4/Class 8	45%
International/LT625 6x4/Class 8	45%
Isuzu/NPR /Gas/Class 4	8%
Isuzu/NPR HD / Gas/Class 4	8%
Isuzu/NQR /Gas/Class 4	8%
Isuzu/NRR HD / Gas/Class 5	8%
Isuzu/NPR HD /Diesel/Class 4	8%
Isuzu/NPR XD / Diesel/Class 4	8%
Isuzu/NQR Diesel/Class 4	8%
Isuzu/NRR Diesel/Class 5	8%
Isuzu/FTR Diesel/Class 6	8%
Isuzu/FVR Diesel/Class 7 and 8	8%
Isuzu/FVR Derate Diesel/Class 7	8%
Dennis-Eagle/ Diesel/ Class 8	1%

### Phase Two (2) off the Lot Pricing

Manufacturer/Model/Classification	Percent Off of MSRP
International/CV515/Class 4,5,6	1%
International/eMV607/Class 6, 7 and 8	1%
International/MV607LP/Class 5,6,7 and 8	26%
International/MV607 SBA/Class 5, 6 and 7	26%
International/HV507 SFA/Class 6, 7, 8	26%
International/HV607 SBA/Class 6,7 and 8	26%
International/HV513 SFA/ Class 7 and 8	42%
International/HV613 SBA/ Class 7 and 8	42%
International/HX520 SFA/Class 8	42%
International/HX620 SBA/Class 8	42%
International/RH613 6x4/Class 8	45%
International/LT625 6x4/Class 8	45%
Isuzu/NPR /Gas/Class 4	8%
Isuzu/NPR HD / Gas/Class 4	8%
Isuzu/NQR /Gas/Class 4	8%
Isuzu/NRR HD / Gas/Class 5	8%
Isuzu/NPR HD /Diesel/Class 4	8%
Isuzu/NPR XD / Diesel/Class 4	8%
Isuzu/NQR Diesel/Class 4	8%
Isuzu/NRR Diesel/Class 5	8%
Isuzu/FTR Diesel/Class 6	8%
Isuzu/FVR Diesel/Class 7 and 8	8%
Isuzu/FVR Derate Diesel/Class 7	8%
Dennis-Eagle/ Diesel/ Class 8	1%

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Jana Weldon, Beautification Arts & Sciences Program  
Manager  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024



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**TITLE:**

**Consideration and Approval of Construction Services Contract:** Approve the Contract with Major League Painting Inc. for Painting Downtown Green Assets

**STAFF RECOMMENDED ACTION:**

1. Approve the Contract with Major League Painting, Inc in the amount of \$168,181.75 to cover costs for all personnel, equipment, tools, materials, supervision, and services for the painting and finishing of specified assets within the boundaries of Route 66 and Cherry Ave, spanning from Humphrey to Verde Streets in municipal green.
2. Authorize the City Manager to execute all necessary documents.

**Executive Summary:**

Periodic maintenance requires repainting all of the Dark Green, known as Municipal Green, fixtures, equipment and fittings in the Downtown, which is bounded by Route 66 and Cherry Ave, spanning Humphrey to Verde Streets. The last repaint was conducted in FY16.

The City will provide Contractor with a spreadsheet/map identifying the location of all downtown green assets. Items include 85 bollards, 16 bike racks, 233 streetlight and pedestrian poles, 16 utility boxes mounted on poles, 354 signposts, and 29 old style trashcans.

The procurement process was a formal low bid with two bids received.

**Financial Impact:**

Project Name: Downtown Green  
Cost: \$168,181.75  
Account Number Budgeted: 051-07-212-3323-6-4433  
FY2024-25 Budgeted Amount: \$245,000  
Grant Funded: No  
Funding Source: BBB Beautification

**Policy Impact:**

None

**Previous Council Decision or Community Discussion:**

No

**Options and Alternatives to Recommended Action:**

Defer maintenance to the Downtown Green assets

**Background and History:**

The Purchasing section posted an IFB solicitation for construction on April 10th, 2024, on the PlanetBids.com website with advertisements in the Arizona Daily Sun. There were two (2) bids received on the opening date of April 26th, 2024.

Major League Painting, Inc bid equaling - \$168,181.75

Degan Construction, LLC. bid equaling - \$172,111.00

After reviewing all bids received, Staff determined that Major League Painting, Inc. as the lowest responsive and responsible bidder.

**Connection to PBB Priorities and Objectives:**

- Sustainable and Innovative Infrastructure: Provide, manage, and maintain effective infrastructure for multimodal and active transportation
- Livable Community: Provide amenities and activities that support a healthy lifestyle

**Connection to Regional Plan:**

Policy CC.1.4. Identify, protect, and enhance gateways, gateway corridors, and gateway communities.

Policy CC.4.2. Design utilities and infrastructure to be contextual and considered as part of the overall design aesthetics.

Policy LU.1.1. Plan for and support reinvestment within the existing city centers and neighborhoods for increased employment and quality of life.

Policy LU.9.1. Reinvest in urban areas

Policy ED.7.4. Invest in attractive community gateways, main corridors, and public spaces to draw the business and workforce the region desires.

**Connection to Carbon Neutrality Plan:**

None

**Connection to 10-Year Housing Plan:**

None

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**Attachments:**    [Contract](#)

## CONTRACT FOR PAINTING DOWNTOWN GREEN ASSETS

Contract No. 2024-44

This Contract is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City"), and Major League Painting, Inc., an Arizona Corporation ("Contractor").

WHEREAS, the City of Flagstaff desires to receive, and Contractor is able to provide materials and/or services;

NOW THEREFORE, in consideration for the mutual promises contained herein, the parties agree as follows:

1. Scope of Work: Contractor shall provide the materials and/or services generally described as follows:

### Painting Downtown Green Assets

and as more specifically described in the scope of work attached hereto as Exhibit A.

2. Compensation: In consideration for the Contractor's satisfactory performance, Contractor shall be compensated the budgeted amount of not to exceed **one hundred sixty-eight thousand one hundred eighty-one dollars and seventy-five cents (\$168,181.75)** for the materials and services provided pursuant to the Scope of Work attached hereto as Exhibit A. The City Manager or his designee (the Purchasing Director) may approve an adjustment if the Contract price is less than \$100,000; otherwise, City Council approval is required.
3. Standard Terms and Conditions: The City of Flagstaff Standard Terms and Conditions, attached hereto as Exhibit C are hereby incorporated in this Vendor by reference and shall apply to performance of this Contract, except to the extent modified in Exhibit A.
4. Insurance: Contractor shall meet insurance requirements of the City, set forth in Exhibit B.
5. Contract Term: The Contract term is for a period of one (1) year.
6. Renewal: The City may unilaterally extend the period of the contract for ninety (90) days beyond the stated expiration date upon written notice to Contractor. In addition, by mutual written consent, the contract may be renewed for supplemental periods of up to three (3) additional one (1) year terms. The Purchasing Director is authorized by the City Council to consent to the above-mentioned renewals.
7. Notice: Any formal notice required under this Contract shall be in writing and sent by certified mail and email as follows:

**(REMAINDER OF PAGE LEFT INTENTIONALLY BLANK)**

To the City:  
Teddy Callan  
Procurement Specialist  
City of Flagstaff  
211 W. Aspen Ave.  
Flagstaff, AZ 86001  
[teddy.callan@flagstaffaz.gov](mailto:teddy.callan@flagstaffaz.gov)

To the Contractor:  
Daniel Rapier  
Major League Painting  
5660 E. Penstock Ave., Flagstaff, AZ,  
86004  
928-522-0590  
mlpraper@hotmail.com

With a copy to:  
Jana Weldon  
Beautification  
City of Flagstaff  
211 W. Aspen Ave.  
Flagstaff, Arizona 86001  
Jana.weldon@flagstaffaz.gov

With a copy to:

8. Authority: Each party warrants that it has authority to enter into this Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into this Contract.

CONTRACTOR

Major League Painting, Inc \_\_\_\_\_

Print name: Daniel Raper  \_\_\_\_\_

Title: President \_\_\_\_\_

CITY OF FLAGSTAFF

\_\_\_\_\_

Print name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest:

\_\_\_\_\_

City Clerk

Approved as to form:

\_\_\_\_\_

City Attorney's Office



**EXHIBIT A**

**SCOPE OF WORK**

Contractor shall complete the painting of downtown green assets. Contractor shall provide all necessary personnel, equipment, tools, materials, supervision, and services for the painting and finishing of specified assets within the boundaries of Route 66 and Cherry Ave, spanning from Humphrey to Verde Streets.

City shall provide Contractor with a spreadsheet/map identifying the location of all downtown green assets (“Items”), and a copy shall be placed in the City Grants & Contracts file. The Items to be painted are listed below.

Items	Qty
Bollards (currently painted green)	85
Bike racks (currently painted green)	16
Tall streetlight poles & pedestrian poles	233
Utility boxes mounted on poles	16
Signposts	354
Old-Style Trash Cans (currently painted green, does not include trash/recycle combo units)	29

**Materials & Services:**

- Cleaning, painting, and finishing of all assets within the designated area.
- Coordination with City Representatives for any work involving lift equipment and traffic control to ensure safety.
- Acquisition of all permits for road closures.
- Provision of lift equipment and protection of all public and private property throughout the project.
- Daily cleanup with only wet paint signs and barricades left overnight as needed.
- Identification of areas needing repair or welding and reporting to the Beautification, Arts, and Sciences Coordinator for further action.
- Reporting of abandoned bikes at bike racks, as required.
- Washing of assets with Prep88 and low-pressure sprayer, brush, or roller, followed by sanding of painted surfaces to promote proper adhesion of topcoats and finish coat.
- Paint specification: Prep 88 Wash Primer (or comparable), American One Epoxy Tie Coat Primer (where necessary), and two coats of PSX Finish Coat (Acrylic Polysiloxane) in Municipal Green color.

**Schedule:**

- The project must be completed within an 8-10 week period.
- Contractor shall prepare a timeline and work plan, which will be used to track progress using a GIS APP provided by the City

**Reporting:**

- Contractor shall submit a weekly progress report to the attention of Jana Weldon or her designee.

**Pricing:**

- Contractor shall be paid per its **Bid Schedule** (see Attachmen A). If City determines work cannot be completed (e.g. if Item needs to be repaired or other reason), such Item will be deducted from the Scope of Work and payment.

## EXHIBIT B

### STANDARD TERMS AND CONDITIONS

(Last Updated January 19, 2023)

\*The term "Contractor" may substitute for the term "vendors," "consultants," or "firms," depending on the purpose of the underlying Contract.

#### IN GENERAL

- 1. PARTIES:** The City of Flagstaff ("City") and the Contractor identified in the Contract ("Contractor") may be referred to individually as "Party" or collectively as "Parties".
- 2. NOTICE TO PROCEED:** Contractor shall not commence performance until after the City has issued a Notice to Proceed.
- 3. LICENSES AND PERMITS:** Contractor its expense shall maintain current federal, state, and local licenses, permits and approvals required for performance of the Contract and provide copies to City upon request.
- 4. COMPLIANCE WITH LAWS:** Contractor shall comply with all applicable federal, state and local laws, regulations, standards, codes and ordinances in performance of the Contract.
- 5. NON-EXCLUSIVE:** Unless expressly provided otherwise in the Contract, the Contract is non-exclusive and the City reserves the right to contract with others for materials or services.
- 6. SAMPLES:** Any sample submitted to the City by the Contractor and relied upon by City as representative of quality and conformity, shall constitute an express warranty that all materials and/or service to be provided to City shall be of the same quality and conformity.

#### MATERIALS

- 7. PURCHASE ORDERS:** The City will issue a purchase order for the materials covered by the Contract, and such order will reference the Contract number.
- 8. QUALITY:** Contractor warrants that all materials supplied under the Contract will be new and free from defects in material or workmanship. The materials will conform to any statements made on the containers or labels or advertisements for the materials and will be safe and appropriate for use as normally used. The City's inspection, testing, acceptance or use of materials shall not serve to waive these quality requirements. This warranty shall survive termination or expiration of the Contract.
- 9. ACCEPTANCE:** All materials and services provided by Contract are subject to final inspection and acceptance by the City. Materials and services failing to conform to the Contract specifications may be rejected in whole or part. If rejected, Contractor is responsible for all costs associated arising from rejection.
- 10. MANUFACTURER'S WARRANTIES:** Contractor shall deliver all Manufacturer's Warranties to the City upon the City's acceptance of the materials.
- 11. PACKING AND SHIPPING:** Contractor shall be responsible for industry standard packing which conforms to requirements of carrier's tariff and ICC regulations. Containers shall be clearly marked as to lot number, destination, address and purchase order number. All shipments shall be F.O.B. Destination, City of Flagstaff, 211 West Aspen Avenue, Flagstaff, Arizona 86001, unless otherwise specified by the City. C.O.D. shipments will not be accepted.

**12. TITLE AND RISK OF LOSS:** The title and risk of loss of material shall not pass to the City until the City actually receives the material at the point of delivery and the City has completed inspection and has accepted the material, unless the City has expressly provided otherwise in the Contract.

**13. NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach and Contractor shall not have the right to substitute a conforming tender without prior written approval from the City.

**14. DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Contractor may not substitute nonconforming materials and/or services. Delivery of nonconforming materials and/or services, or a default of any nature, shall constitute a breach of the Contract as a whole.

**15. SHIPMENT UNDER RESERVATION PROHIBITED:** Contractor is not authorized to ship materials under reservation and no tender of a bill of lading shall operate as a tender of the materials.

**16. LIENS:** All materials and other deliverables supplied to the City shall be free of all liens, other than the security interest held by Contractor, until payment in full is made by the City. Upon request of the City, Contractor shall provide a formal release of all liens.

**17. CHANGES IN ORDERS:** The City reserves the right at any time to make changes in any one or more of the following: (a) methods of shipment or packing; (b) place of delivery; and (c) quantities. If any change causes an increase or decrease in the cost of or the time required for performance, an equitable adjustment may be made in the price or delivery schedule, or both. Any claim for adjustment shall be evidenced in writing and approved by the City Purchasing Director prior to the institution of the change.

## **PAYMENT**

**18. INVOICES:** A separate invoice shall be issued for each shipment and each job completed. Invoices shall include the Contract and/or Purchase Order number and dates when goods had been shipped or work performed. Invoices shall be sent within thirty (30) days following performance. Payment will only be made for satisfactory materials and/or services received and accepted by City.

**19. LATE INVOICES:** The City may deduct up to 10% of the payment price for late invoices. The City operates on a fiscal year budget, from July 1 through the following June 30. Except in unusual circumstances, which are not due to the fault of Contractor, the City will not honor any invoices or claims submitted after August 15 for materials or services supplied in the prior fiscal year.

**20. TAXES:** Contractor shall be responsible for payment of all taxes including federal, state, and local taxes related to or arising out of Contractor's performance of the Contract. Such taxes include but are not limited to federal and state income tax, social security tax, unemployment insurance taxes, transaction privilege taxes, use taxes, and any other taxes or business license fees as required.

Exception: The City will pay any taxes which are specifically identified as a line-item dollar amount in the Contractor's bid, proposal, or quote, and which were considered and approved by the City as part of the Contract award process. In this event, taxes shall be identified as a separate line item in Contractor's invoices.

**21. FEDERAL EXCISE TAXES:** The City is exempt from paying certain Federal Excise Taxes and will furnish an exemption certificate upon request.

**22. FUEL CHARGES:** Contractor at its own expense is liable for all fuel costs related to performance. No fuel surcharges will be accepted or paid by the City.

**23. DISCOUNTS:** If the Contract provides for payment discounts, payment discounts will be computed from the later date of the following: (a) when correct invoice is received by the City; or (b) when acceptable materials and/or materials were received by the City.

**24. AMOUNTS DUE TO THE CITY:** Contractor must be current and remain current in all obligations due to the City during performance. Payments to Contractor may be offset by any delinquent amounts due to the City or fees and charges owed to the City under the Contract.

**25. OFAC:** No payments may be made to any person in violation of Office of Foreign Assets Control regulations. 31 C.F.R. Part 501.

## **SERVICES**

**26. INDEPENDENT CONTRACTOR:** Contractor shall be an independent Contractor for purposes of all laws, including but not limited to the Fair Labor Standards Act, Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, Internal Revenue Code, Immigration and Naturalization Act; Arizona revenue and taxation, workers' compensation, and unemployment insurance laws.

**27. CONTROL:** Contractor shall be responsible for the control of the work.

**28. WORK SITE:** Contractor shall inspect the work site and notify the City in writing of any deficiencies or needs prior to commencing work.

**29. SAFEGUARDING PROPERTY:** Contractor shall be responsible for any damage to real property of the City or adjacent property in performance of the work and safeguard the worksite.

**30. QUALITY:** All work shall be of good quality and free of defects, performed in a diligent and professional manner.

**31. ACCEPTANCE:** If the City rejects Contractor's work due to noncompliance with the Contract, the City, after notifying Contractor in writing, may require Contractor to correct the deficiencies at Contractor's expense, or cancel the work order and pay Contractor only for work properly performed.

**32. WARRANTY:** Contractor warrants all work for a period of one year following final acceptance by the City. Upon receipt of written notice from the City, Contractor at its own expense shall promptly correct work rejected as defective or as failing to conform to the Contract, whether observed before or after acceptance, and whether or not fabricated, installed or completed by Contractor, and shall bear all costs of correction. If Contractor does not correct deficiencies within a reasonable time specified in the written notice from the City, the City may perform the work and Contractor shall be liable for the costs. This one year warranty is in addition to and does not limit Contractor's other obligations herein. This warranty shall survive termination or expiration of the Contract.

## **INSPECTION, RECORDS, ADMINISTRATION**

**33. RECORDS:** The City shall have the right to inspect and audit all Contractor books and records related to the Contract for up to five years after completion of the Contract.

**34. RIGHT TO INSPECT BUSINESS:** The City shall have the right to inspect the place of business of the Contractor or its subContractor during regular business hours at reasonable times, to the extent necessary to confirm Contract performance.

**35. PUBLIC RECORDS:** The Contract and any related materials are a matter of public record and subject to disclosure pursuant to Arizona Public Records Law. A.R.S. § 39-121 et seq. If Contractor has clearly marked its proprietary information as "confidential", the City will endeavor to notify Contractor prior to release of such information.

**36. CONTRACT ADMINISTRATION:** Contractor will be required to participate in the City's contract administration process. Contractor will be closely monitored for Contract compliance and will be required to promptly correct any deficiencies.

## **INDEMNIFICATION**

**37. GENERAL INDEMNIFICATION:** Contractor shall indemnify and hold the City, and its officers, agents, employees, and subcontractors, harmless from and against any third-party claims, actions, liabilities, costs, including reasonable attorneys' fees and other costs of defense, arising out of the acts, errors, or omissions of Contractor, its officers, agents, employees, and subcontractors, in performing or failing to perform the responsibilities identified in the Contract. In the event any such action or claim is brought against the City, Contractor shall, if the City so elects, and upon tender by the City: (a) defend the same at Contractor's sole cost and expense; and/or (b) promptly satisfy any judgment adverse to the City; or (c) reimburse the City for any loss, cost, damage, or expense, including attorneys' fees, suffered or incurred by the City. The City shall notify Contractor, within a reasonable time, of any claim, threat of claim, or legal action as it relates to the responsibilities identified in the Contract. This indemnification shall survive termination or expiration of the Contract.

**38. INTELLECTUAL PROPERTY INDEMNIFICATION:** Contractor shall indemnify and hold the City, and its officers, agents, employees, and subcontractors, harmless from and against any third-party claims, actions, liabilities, costs, including reasonable attorneys' fees and other costs of defense arising out of the alleged infringement of any patent, trademark or copyright or other proprietary rights of any third-parties arising out of Contract performance or use by the City of materials furnished or work performed under the Contract. In the event any such action or claim is brought against the City, Contractor shall, if the City so elects and upon tender by the City: (a) defend the same at Contractor's sole cost and expense; and/or (b) promptly satisfy any judgment adverse to the City; or (c) reimburse the City for any loss, cost, damage, or expense, including attorneys' fees, suffered or incurred by the City. The City shall notify Contractor, within a reasonable time, of any claim, threat of claim, or legal action as it relates to the responsibilities identified in the Contract. This indemnification shall survive termination or expiration of the Contract.

**39. NETWORK SECURITY AND PRIVACY LIABILITY:** Contractor shall indemnify and hold the City, and its officers, agents, employees, and subcontractors, harmless from an against any third-party claims, actions, liabilities, costs, including reasonable attorneys' fees and other costs of defense arising out of all acts, errors, omissions, negligence, infringement of intellectual property (except patent and trade secret); network security and privacy risks, including but not limited to unauthorized access, failure of security, breach of privacy perils, wrongful disclosure, collection, or other negligence in the handling of confidential information, privacy perils, and including coverage for related regulatory defense and penalties; data breach expenses, including but not limited to, consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services in the performance of services for the City. In the event any such action or claim is brought against the City, Contractor shall, if the City so elects and upon tender by the City: (a) defend the same at Contractor's sole cost and expense; and/or (b) promptly satisfy any judgment adverse to the City; or (c) reimburse the City for any loss, cost, damage, or expense, including attorneys' fees, suffered or incurred by the City. The City shall notify Contractor, within a reasonable time, of any claim, threat of claim, or legal action as it relates to the responsibilities identified in the Contract. This indemnification shall survive termination or expiration of the Contract.

## **CONTRACT CHANGES**

**40. PRICE INCREASES:** Except as expressly provided for in the Contract, no price increases will be approved.

**41. COMPLETE AGREEMENT:** The Contract is intended to be the complete and final agreement of the Parties.

**42. AMENDMENTS:** The Contract may be amended by written agreement of the Parties.

**43. SEVERABILITY:** If any term or provision of the Contract is found by a court of competent jurisdiction to be illegal or unenforceable, then such term or provision is deemed deleted and the remainder of the Contract shall remain in full force and effect.

**44. NO WAIVER:** Both Parties have the right insist upon strict performance of the Contract, and the prior failure of a Party to insist upon strict performance, or a delay in any exercise of any right or remedy, or acceptance of materials or services, shall not be deemed a waiver of any right to insist upon strict performance.

**45. ASSIGNMENT:** Contractor was selected for its special knowledge, skills, and expertise, and shall not assign the services/materials required in the Contract, in whole or in part, without the City's prior written consent, which may be withheld for any reason. Any assignment without such consent shall be null and void. No assignment shall relieve Contractor (Assignor) from any of its obligations and liabilities under the Contract with respect to the City. The Purchasing Director shall have authority to consent to an assignment on behalf of the City.

**46. BINDING EFFECT:** The Contract shall be binding upon and inure to the benefit of the Parties and their successors and assigns.

#### **EMPLOYEES AND SUBCONTRACTORS**

**47. SUBCONTRACTING:** Contractor was selected for its special knowledge, skills, and expertise, and shall not assign the services/materials required in the Contract, in whole or in part, without the City's prior written consent, which may be withheld for any reason. The City reserves the right to withhold consent if the subcontractor is deemed irresponsible and/or subcontracting may negatively affect performance. All subcontracts shall comply with the underlying Contract. Vendor is responsible for Contract performance whether or not subcontractors are used.

**48. NONDISCRIMINATION:** Contractor shall not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, disability, genetic information, veteran's status, pregnancy, familial status and represents and warrants that it complies with all applicable federal, state and local laws and executive orders regarding employment. In addition, any Contractor whose business is located within City of Flagstaff limits shall comply with the City Code, Chapter 14-02, *Civil Rights*, which also prohibits discrimination based on sexual orientation, or gender identity or expression.

**49. DRUG FREE WORKPLACE:** The City has adopted a Drug Free Workplace policy for itself and those doing business with the City to ensure the safety and health of all persons working on City contracts and projects. Contractor's personnel shall abstain from use or possession of illegal drugs while engaged in performance of the Contract.

**50. IMMIGRATION LAWS:** Pursuant to A.R.S. § 41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors shall comply with all state and federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). A breach of state and federal immigration laws and regulations shall constitute a material breach of the Contract and shall subject Contractor to penalties up to and including termination of the Contract. The City may, at its sole discretion, conduct random verification of the employment records of the employees of the Contractor and any subcontractors to ensure compliance with all state and federal immigration laws and regulations. Neither Vendor nor any subsubcontractor shall be deemed to have materially breached the Contract if Vendor or subcontractor establishes that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. § 23-214(A).

#### **DEFAULT AND TERMINATION**

**51. TERMINATION FOR DEFAULT:** Prior to terminating the Contract for a material breach, the non-defaulting Party shall give the defaulting Party written notice and reasonable opportunity to cure the default, not to exceed thirty (30) days unless a longer period of time is granted by the non-defaulting Party in writing. In the event the breach is not timely cured, or in the event of a series of repeated breaches the non-defaulting Party may elect to terminate Contract by written notice to Contractor, which shall be

effective upon receipt. In the event of default, the Parties may execute all remedies available at law in addition to the Contract remedies provided for herein.

**52. CITY REMEDIES:** In the event of Contractor's default, the City may obtain required materials and/or services from a substitute Contractor, and Contractor shall be liable to the City to pay for the costs of such substitute service. The City may deduct or offset the cost of substitute service from any balance due to Contractor, and/or seek recovery of the costs of substitute service against any performance security, and/or collect any liquidated damages provided for in the Contract. Remedies herein are not exclusive.

**53. CONTRACTOR REMEDIES:** In the event of the City's default, Contractor may pursue all remedies available at law, except as provided for herein.

**54. TERMINATION FOR NONAPPROPRIATION OF FUNDS:** The City may terminate all or a portion of the Contract due to budget constraints and non-appropriation of funds for the following fiscal year, without penalty or liability to Contractor.

**55. TERMINATION FOR CONVENIENCE:** Unless expressly provided for otherwise in the Contract, the Contract may be terminated in whole or part by the City for convenience upon thirty (30) days written notice, without further penalty or liability to Contractor. If the Contract is terminated, City shall be liable only for payment for satisfactory materials and/or services received and accepted by the City before the effective date of termination.

**56. TERMINATION DUE TO INSOLVENCY:** If Contractor becomes a debtor in a bankruptcy proceeding, or a reorganization, dissolution or liquidation proceeding, or if a trustee or receiver is appointed over all or a substantial portion of the property of Contractor under federal bankruptcy law or any state insolvency law, Contractor shall immediately provide the City with a written notice thereof. The City may terminate the Contract, and Contractor is deemed in default, at any time if the Contractor becomes insolvent, or is a party to any voluntary bankruptcy or receivership proceeding, makes an assignment for a creditor, or there is any similar action that affects Contractor's ability to perform under the Contract.

**57. PAYMENT UPON TERMINATION:** Upon termination of the Contract, the City will pay Contractor for satisfactory performance up until the effective date of termination. The City shall make final payment within thirty (30) days from receipt of the Contractor's final invoice.

**58. CANCELLATION FOR GRATUITIES:** The City may cancel the Contract at any time, without penalty or further liability to Contractor, if City determines that Contractor has given or offered to give any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with award or performance of the Contract.

**59. CANCELLATION FOR CONFLICT OF INTEREST:** Pursuant to A.R.S. § 38-511, if the City identifies a conflict of interest in the award or performance of the Contract, the City may cancel the Contract within three years after its execution, without penalty or further liability to Contractor.

#### **MISCELLANEOUS**

**60. COOPERATIVE PURCHASE CONTRACTS:** Presuming that Contractor agreed to such during the procurement process, Contractor will enter into cooperative purchase arrangements, as sanctioned by state and federal law, to allow Contractor to sell materials and services to any member of a cooperative group under the same pricing, terms and conditions of the contract awarded to the Contractor by the public procurement unit, following a competitive procurement process.

**61. ADVERTISING:** Contractor shall not advertise or publish information concerning its Contract with the City without the prior written consent of the City.

**62. NOTICES:** All notices given pursuant to the Contract shall be delivered at the addresses as specified in the Contract or updated by Notice to the other Party. Notices may be: (a) personally delivered, with receipt effective upon personal delivery; (b) sent via certified mail, postage prepaid, with receipt deemed



effective four days after being sent; or (c) sent by overnight courier, with receipt deemed effective two days after being sent. Notice may be sent by email as a secondary form of notice.

**63. THIRD PARTY BENEFICIARIES:** The Contract is intended for the exclusive benefit of the parties. Nothing herein is intended to create any rights or responsibilities to third parties.

**64. GOVERNING LAW:** The Contract shall be construed in accordance with the laws of Arizona.

**65. FORUM:** In the event of litigation relating to the Contract, any action at law or in equity shall be filed in Coconino County, Arizona.

**66. ATTORNEYS' FEES:** If any action at law or in equity is necessary to enforce the terms of the Contract, the prevailing party shall be entitled to recover its reasonable attorneys' fees, costs, professional fees and expenses.

**67. FORCE MAJUERE:**

a. There may be events that occur during the term of the Contract that are beyond the control of both the City and Contractor, including events of war, floods, labor, disputes, earthquakes, epidemics, pandemics, adverse weather conditions not reasonably anticipated, forest fires, and other acts of God ("Events"). These Events may result in a temporary delay of contractual deliverables, or the permanent inability to provide the contractual deliverables that are the subject of the Contract.

b. There shall be no claims arising from a temporary delay of contractual deliverables, or the permanent inability to provide the contractual deliverables caused by the Events and the City shall not pay additional costs incurred by Contractor as a result of such Events.

c. The Parties shall act in good faith to extend the Contract completion date without any penalty to Contractor and that the extension will be in an amount of time equal to any temporary delay. This provision of the Contract supersedes all other terms regarding temporary delay, permanent shut down, or increased costs.

**68. NO BOYCOTT OF ISRAEL:** Pursuant to A.R.S. §§ 35-393 and 35-393.01, if a Party has over ten (10) employees and the Contract is worth at least one-hundred thousand dollars and no cents (\$100,000), the Party shall certify that it is not currently engaged in, and agrees, for the duration of the Contract, will not engage in a boycott of Israel.

**69. CHANGES TO CONTRACT:** The Contract shall not be modified within the first year after Contract award where: (a) an amendment may result in a competitive advantage that was not made available to other proposers/bidders; or (b) requests for changes may delay commencement of performance.

**70. FORCED LABOR OF ETHNIC UYGHURS:** If Contractor engages in for-profit activity and has ten (10) or more employees, pursuant to A.R.S. §35-394, the Contractor certifies that it does not currently, and agrees for the duration of the contract that it will not, use: 1) the forced labor of ethnic Uyghurs in the People's Republic of China; 2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and 3) any Contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If the Contractor becomes aware during the term of the contract that the company is not in compliance with the written certification, the Contractor shall notify the City within five (5) business days after becoming aware of the noncompliance. If the Contractor does not provide the City with a written certification that the Vendor has remedied the noncompliance within 180 days after notifying the City of the noncompliance, this Contract terminates, except that if the contract termination date occurs before the end of the remedy period the Contract terminations on the Contract termination date.



**EXHIBIT C**

**STANDARD INSURANCE REQUIREMENTS**

(Last Updated January 19, 2023)

\*The term "Contractor" may substitute for the term "vendors," "consultants," or "firms," depending on the purpose of the underlying Contract.

1. **IN GENERAL:** Contractor shall maintain insurance against claims for injury to persons or damage to property, arising from performance of or in connection with the Contract by Contractor, its agents, representatives, employees, and/or subcontractors.
2. **REQUIREMENT TO PROCURE AND MAINTAIN:** Each insurance policy required by the Contract shall be in effect at, or before, commencement of work under the Contract and shall remain in effect until all of Contractor's obligations under the Contract have been met, including any warranty periods. Contractor's failure to maintain the insurance policies as required by the Contract, or to provide timely evidence of renewal, will be considered a material breach of the Contract.
3. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** The following insurance requirements are minimum requirements for the Contract and in no way limit the indemnity covenants contained in the Contract. The City does not represent or warrant that the minimum limits set forth in the Contract are sufficient to protect Contractor from liabilities that might arise out of the Contract, and Contractor is free to purchase such additional insurance as Contractor may determine is necessary.

Where applicable, as related to the Scope of Work, Contractor shall provide coverage at least as broad and with limits not less than those stated below.

a. Commercial General Liability - Occurrence Form	
General Aggregate	\$2,000,000
Products/Completed Operations	\$1,000,000
Each Occurrence	\$1,000,000
b. Umbrella Coverage	\$2,000,000
c. Automobile Liability	
Any Automobile or Owned, Hired, and Non-owned Vehicles	\$1,000,000
Combined Single Limit Per Accident for Bodily Injury & Property Damage	
d. Workers' Compensation and Employer's Liability	
Workers' Compensation	Statutory
Employer's Liability: Each Accident	\$1,000,000
Disease - Each Employee	\$1,000,000
Disease - Policy Limit	\$1,000,000
e. Professional Liability	\$2,000,000

f. Network Security and Privacy Liability

Per claim	\$2,000,000
Annual Aggregate	\$2,000,000

**4. RESERVED NOT REQUIRED**

**5. SELF-INSURED RETENTION:** Any self-insured retentions must be declared to and approved by the City. If not approved, the City may require that Contractor reduce or eliminate such self-insured retentions with respect to the City, its officers, agents, employees, and/or subcontractors. Contractor shall be solely responsible for any self-insured retention amounts. The City at its option may require Contractor to secure payment of such self-insured retention by a surety bond or irrevocable and unconditional letter of credit.

**6. OTHER INSURANCE REQUIREMENTS:** The insurance policies shall contain, or be endorsed to contain, the following provisions:

- a. Additional Insured: In Commercial General Liability and Automobile Liability Coverages, the City of Flagstaff, its officers, officials, agents, employees, and/or subcontractors shall be named and endorsed as additional insureds with respect to liability arising out of the Contract and activities performed by or on behalf of Contractor, including products and completed operations of Contractor, and automobiles owned, leased, hired, or borrowed by Contractor.
- b. Broad Form: Contractor's insurance policy shall contain broad form contractual liability coverage.
- c. Primary Insurance: Contractor's insurance coverage shall be primary insurance with respect to the City, its officers, officials, agents, employees, and/or subcontractors. Any insurance or self-insurance maintained by the City, its officers, officials, agents, employees, and/or subcontractors shall be in excess of the coverage of Contractor's insurance and shall not contribute to it.
- d. Each Insured: Contractor's insurance policies shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. Not Limited: Coverage provided by Contractor shall not be limited to the liability assumed under the indemnification provisions of the Contract.

- f. Waiver of Subrogation: The insurance policies shall contain a waiver of subrogation against the City, its officers, officials, agents, employees, and/or subcontractors for losses arising from work performed by Contractor for the City.
7. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of the Contract shall provide the required coverage and shall not be suspended, voided, cancelled, and/or reduced in coverage or in limits unless prior written notice has been given to the City. Notices required by this section shall be sent directly to the Procurement Agent and shall reference the Contract Number.
8. **ACCEPTABILITY OF INSURERS:** Contractor shall place insurance hereunder with insurers duly licensed or approved unlicensed companies in the State of Arizona and with a “Best’s” rating of not less than A-: VII. The City does not represent or warrant that the above required minimum insurer rating is sufficient to protect Contractor from potential insurer insolvency.
9. **CERTIFICATES OF INSURANCE:** Contractor shall furnish the City with certificates of insurance (ACORD form) as required by the Contract. The certificates for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the certificate of insurance. The City Contract number shall be noted on the certificates of insurance. If requested by the City, all certificates of insurance and endorsements must be received and approved by the City before the Contractor commences work.
10. **POLICIES:** The City reserves the right to require, and receive within ten (10) days, complete, certified copies of all insurance policies and endorsements required by the Contract. The City shall not be obligated, however, to review any insurance policies or to advise Contractor of any deficiencies in such policies and endorsements. The City’s receipt of Contractor’s policies or endorsements shall not relieve Contractor from, or be deemed a waiver of, the City’s right to insist on strict fulfillment of Contractor’s obligations under the Contract.
11. **MODIFICATIONS:** Any modification or variation from the insurance requirements in the Contract must have the prior approval of the City’s Attorney’s Office in consultation with the City’s Risk Manager, whose decision shall be final. Such action will not require a formal Contract amendment but may be made by their handwritten revision and notation to the foregoing insurance requirements.

**Attachment A**

**CITY OF FLAGSTAFF**  
**Painting Downtown Green Assets**  
**BID NUMBER**

**BID FORM**

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PLEASE SEE THE SCOPE OF WORK ATTACHED TO THE CONTRACT AS *EXHIBIT A*, FOR REQUIRED MATERIALS. ENTER THE SERVICE CHARGES/BID AMOUNTS FOR THE FOLLOWING AREAS AND ALL MATRERIALS SPECIFIED IN THIS SOLICITATION

**RATE PAINTING DOWNTOWN GREEN ASSETS**

<b><u>MATERIALS</u></b>	<b><u>COST</u></b>
<u>Painting Materials</u>	<u>\$ 10,000.00</u>
<u>Labor (Preparation, cleaning, painting, and clean-up)</u>	<u>\$ 136,245.00</u>
<u>Taxes &amp; Freight PTO 15%</u>	<u>\$ 21,936.75</u>

(All charges must be included; no extra charges will be considered at a later date. Miscellaneous charges will be considered in determining the low Bid)

  
\_\_\_\_\_  
Signature of Person Authorized to Sign Bid

Daniel Raper  
\_\_\_\_\_  
Printed Name

President  
\_\_\_\_\_  
Title

4/17/2024  
\_\_\_\_\_  
Dat

## Downtown Green Assets Listing

AssetType	Descriptio	Notes	Verif	Pantd
Sign Pole	Do Not Enter, Advanced Intersection Lane Control (Two Lane)		Yes	No
Street Light Pole	Direct Bury Painted		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Pay by Plate Parking, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	30 Minute Customer Courts	no sign on the pole	Yes	No
Sign Pole	Downtown Information, Loading Zone/Pay by Plate Combo, Loading Zone/Pay by Plate Combo - Schedule		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	No
Garbage Bin	Dual Composite Bin		Yes	Yes
Sign Pole	Left/Right Arrow, Hospital		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Reserved Parking(Disabled), 2 Hour Parking, Pay to Park - E Permit Exempt, Parking Zones		Yes	Yes
Street Light Pole	Direct Bury Painted		Yes	Yes
Street Light Pole	Traffic Signal Painted		Yes	No
Sign Pole	Stop		Yes	Yes
Sign Pole	Advanced Intersection Lane Control (Two Lane), Do Not Enter, NO BICYCLES ON SIDE WALK THIS BLOCK		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Downtown Information		Yes	Yes
Sign Pole	One Way Enclosed in Right Arrow		Yes	Yes

Street Light Pole	Decorative: Downtown		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	No
Sign Pole	Stop light and cross walk		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Direct Bury Painted		Yes	Yes
Sign Pole	15 MINUTE PARKING ONLY, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	No Parking (Symbol)		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	One Way Enclosed in Right Arrow		Yes	Yes
Street Light Pole	Traffic Signal Painted		Yes	No
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	Overnight Parking By Permit Only, Parking Permit Required - F Permit, Parking Zone, County vehicles exempt, Accessible spaces exempt		Yes	Yes
Sign Pole	No Parking Any Time, Tow Away Zone, NO SKATEBOARDING NO ROLLERBLADING, Notice		Yes	Yes
Sign Pole	Double Arrow, U.S. Route Marker for Independent Use		Yes	No
Sign Pole	No Right Turn (Symbol), Downtown Street Name Overhead, One Way Enclosed in Left Arrow		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	NO BICYCLES ON SIDE WALK THIS BLOCK, One Way Enclosed in Right Arrow		Yes	Yes



Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, 15 MINUTE PARKING ONLY, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Reserved Parking(Disabled), 2 Hour Parking		Yes	Yes
Sign Pole	15 MINUTE PARKING ONLY, 2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Street Light Pole	Traffic Signal Painted		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	30 minute parking County Customers ONLY, FREE		Yes	Yes
Sign Pole	No Parking (Symbol)		Yes	Yes
Sign Pole	Reserved Parking(Disabled), Van Accessible, 2 Hour Parking, Pay to Park - E Permit Exempt, Parking Zones		Yes	Yes
Sign Pole	TWO HOUR PARKING, Pay by Plate Parking		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow		Yes	No
Garbage Bin	Dual Composite Bin		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	One Way Enclosed in Right Arrow, One Way Enclosed in Left Arrow		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Sign Pole	No Parking (Symbol), One Way Enclosed in Left Arrow		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes

Sign Pole	WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	One Way Enclosed in Right Arrow, Downtown Street Name, Downtown Street Name, Downtown Street Name, Downtown Street Name		Yes	No
Sign Pole	One Way Enclosed in Left Arrow		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Sign Pole	Reserved For Police	no sign on the pole	Yes	No
Sign Pole	One Way Enclosed in Right Arrow		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	No
Street Light Pole	Decorative: Downtown		Yes	No
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	No Parking (Symbol)		Yes	Yes
Sign Pole	Advanced Intersection Lane Control (Two Lane)		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	Visitor Information arrow left, WINTER PARKING 3-7, 2 Hour Parking, 2 Hour Parking, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	No Left Turn (Symbol), Downtown Street Name Overhead, One Way Enclosed in Right Arrow		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Traffic Signal Painted		Yes	Yes
Street Light Pole	Direct Bury Painted		Yes	Yes
Sign Pole	Pay by Plate Parking, Reserved Parking(Disabled), 2 Hour Parking		Yes	Yes
Sign Pole	Do Not Enter, Advanced Intersection Lane Control (Two Lane), Downtown Street Name, Downtown Street Name, Downtown Street Name, Downtown Street Name		Yes	No
Garbage Bin	Dual Composite Bin		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes

Sign Pole	NO BICYCLES ON SIDE WALK THIS BLOCK		Yes	No
Sign Pole	The Board of Supervisors, Parking Permit required ALL DAY, C Permit, TOW AWAY ZONE		Yes	Yes
Sign Pole	Pay by Plate Parking, 2 HOUR PARKING		Yes	No
Sign Pole	Downtown Information		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	One Way Enclosed in Right Arrow, One Way Enclosed in Left Arrow		Yes	Yes
Sign Pole	Overnight Parking By Permit Only, Parking Permit Required - F Permit, Parking Zone, County vehicles exempt, Accessible spaces exempt		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	No
Sign Pole	Overnight Parking By Permit Only, Parking Permit Required - F Permit, Parking Zone, County vehicles exempt, Accessible spaces exempt		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow, Stop, One Way Enclosed in Right Arrow, Adopt an Ave		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, MOTORCYCLE PARKING ONLY, Pay by Plate Parking		Yes	Yes
Sign Pole	LOADING ZONE aspen, Loading Zone/Pay by Plate Combo, Loading Zone/Pay by Plate Combo - Schedule, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Direct Bury Painted		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	No Left Turn (Symbol), Downtown Street Name, Downtown Street Name, Downtown Street Name, Downtown Street Name		Yes	Yes
Sign Pole	Reserved Parking(Disabled), Van Accessible, Pay by Plate Parking, 2 Hour Parking		Yes	Yes
Sign Pole	WINTER PARKING 3-7		Yes	Yes
Sign Pole	One Way Enclosed in Right Arrow, One Way Enclosed in Left Arrow		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	No Outlet Right, Downtown Information, No Outlet Left, Downtown Information		Yes	No
Sign Pole	One Way Enclosed in Left Arrow		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes

Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Pay by Plate Parking, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, 2 Hour Parking, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	One Way Enclosed in Right Arrow, One Way Enclosed in Left Arrow, Stop		Yes	Yes
Sign Pole	Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow		Yes	No
Street Light Pole	Decorative: Downtown		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	No
Sign Pole	Downtown Information		Yes	No
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	15 MINUTE PARKING ONLY, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	One Way Enclosed in Right Arrow, One Way Enclosed in Left Arrow		Yes	Yes
Sign Pole	NO BICYCLES ON SIDE WALK THIS BLOCK		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Downtown Street Name Overhead		Yes	Yes
Sign Pole	Downtown Street Name, Downtown Street Name, Downtown Street Name, Downtown Street Name		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Direct Bury Painted		Yes	Yes

Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Downtown Information		Yes	Yes
Sign Pole	No Right Turn (Symbol), One Way Enclosed in Left Arrow, Downtown Street Name Overhead		Yes	No
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	NO BICYCLES ON SIDE WALK THIS BLOCK		Yes	Yes
Sign Pole	The Board of Supervisors, Parking Permit required ALL DAY, C Permit, TOW AWAY ZONE		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	15 MINUTE PARKING ONLY, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	TWO HOUR PARKING, Pay by Plate Parking		Yes	No
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	No
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	No
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	The Board of Supervisors, Parking Permit required ALL DAY, C Permit, TOW AWAY ZONE		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	Do Not Enter, Downtown Street Name Overhead, NO BICYCLES ON SIDE WALK THIS BLOCK, Pedestrian Traffic Signal Signs, Pedestrian Traffic Signal Signs, One Way Enclosed in Right Arrow		Yes	No
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes

Sign Pole	Downtown Information		Yes	Yes
Sign Pole	No Parking (Symbol)		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Direct Bury Painted		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	Yes
Sign Pole	One Way Enclosed in Right Arrow		Yes	Yes
Street Light Pole	Traffic Signal Painted		Yes	No
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, 2 Hour Parking, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	NO SKATEBOARDING NO ROLLERBLADING, Notice		Yes	Yes
Sign Pole	Do Not Enter		Yes	Yes
Sign Pole	No Parking (Symbol)		Yes	No
Sign Pole	No Parking (Symbol)		Yes	Yes
Sign Pole	30 minute parking County Customers ONLY, FREE		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	One Way Enclosed in Right Arrow		Yes	No
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	Yes
Sign Pole	Left/Right Arrow, Historic US Route (For Independent Use), TO		Yes	No
Sign Pole	One Way Enclosed in Right Arrow, One Way Enclosed in Left Arrow		Yes	Yes
Sign Pole	USE OF PRIVATE PROPERTY TO AVOID TRAFFIC CONTROL DEVICE PROHIBITED		Yes	No
Sign Pole	NO BICYCLES ON SIDE WALK THIS BLOCK, Stop, Downtown Street Name, Downtown Street Name, Downtown Street Name, Downtown Street Name		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Sign Pole	No Left Turn (Symbol)		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	One Way Enclosed in Right Arrow		Yes	No

Sign Pole	No Parking (Symbol), Advanced Intersection Lane Control (Two Lane)		Yes	No
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	Downtown Information		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	No Parking (Symbol), Downtown Information		Yes	Yes
Sign Pole	NO BICYCLES ON SIDE WALK THIS BLOCK, Adopt an Ave		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	No Parking (Symbol)		Yes	Yes
Sign Pole	No Parking (Symbol)		Yes	No
Street Light Pole	Traffic Signal Painted		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole			Yes	Yes
Sign Pole	Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes
Sign Pole	2 HOUR PARKING, Loading Zone/Pay by Plate Combo, Loading Zone/Pay by Plate Combo - Schedule, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	No Left Turn (Symbol), One Way Enclosed in Right Arrow, Downtown Street Name Overhead		Yes	No
Sign Pole	One Way Enclosed in Right Arrow, One Way Enclosed in Left Arrow		Yes	No
Sign Pole	No Parking (Symbol), No Parking (Symbol)		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Direct Bury Painted		Yes	No
Garbage Bin	Dual Composite Bin		Yes	Yes
Sign Pole	The Board of Supervisors, Parking Permit required ALL DAY, C Permit, TOW AWAY ZONE		Yes	Yes
Sign Pole	Overnight Parking By Permit Only, Parking Permit Required - F Permit, Parking Zone, County vehicles exempt, Accessible spaces exempt		Yes	Yes
Sign Pole	Downtown Information		Yes	Yes
Sign Pole	Pay by Plate Parking		Yes	Yes
Sign Pole	No Right Turn (Symbol), Downtown Street Name Overhead, One Way Enclosed in Left Arrow		Yes	No

Sign Pole	NO BICYCLES ON SIDE WALK THIS BLOCK, One Way Enclosed in Right Arrow		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Sign Pole	Stop, One Way Enclosed in Left Arrow, One Way Enclosed in Right Arrow, NO BICYCLES ON SIDE WALK THIS BLOCK		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow, Downtown Street Name Overhead, Downtown Street Name, Downtown Street Name		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Traffic Signal Painted		Yes	No
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	No
Sign Pole	MOTORCYCLE PARKING ONLY, 2 HOUR PARKING, Pay by Plate Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Pay by Plate Parking, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow, One Way Enclosed in Right Arrow, Downtown Street Name, Downtown Street Name, Downtown Street Name, Downtown Street Name		Yes	Yes
Sign Pole	Pay by Plate Parking, 2 HOUR PARKING		Yes	No
Sign Pole	One Way Enclosed in Right Arrow, No Parking (Symbol)		Yes	Yes
Sign Pole	No Parking (Symbol)		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No



Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking		Yes	Yes
Street Light Pole	Direct Bury Painted		Yes	No
Street Light Pole	Traffic Signal Painted		Yes	Yes
Sign Pole	Downtown Street Name, Downtown Street Name, Downtown Street Name, Downtown Street Name		Yes	No
Street Light Pole	Traffic Signal Painted		Yes	Yes
Sign Pole	Turn Only		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	Pay to Park - E Permit Exempt, Parking Zone	could use new paint	Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	No Parking (Symbol), Speed Limit		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	TWO HOUR PARKING, 30 Minute Customer Courts	no sign on the pole	Yes	No
Sign Pole	30 Minute Customer Courts		Yes	No
Sign Pole	One way		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes
Sign Pole	Reserved Parking(Disabled)		Yes	No
Sign Pole	2 HOUR PARKING, Pay by Plate Parking	no two hour parking sign, permit exempt	Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Double Arrow, U.S. Route Marker for Independent Use		Yes	No
Sign Pole	Parking with Arrow(Green), One Way Enclosed in Right Arrow		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	No Parking (Symbol)		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule	no parking schedule	Yes	No

Sign Pole	WINTER PARKING 3-7		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	No Parking Any Time		Yes	Yes
Sign Pole	Downtown Information		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow		Yes	Yes
Sign Pole	Adopt an Ave		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	No Right Turn (Symbol), Downtown Street Name Overhead, One Way Enclosed in Left Arrow		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	No
Sign Pole	Overnight Parking By Permit Only, Parking Permit Required - F Permit, Parking Zone, County vehicles exempt, Accessible spaces exempt		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow, One Way Enclosed in Right Arrow		Yes	No
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	No
Sign Pole	No Parking (Symbol), NO BICYCLES ON SIDE WALK THIS BLOCK		Yes	Yes
Sign Pole	No Parking (Symbol)		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	No

Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	No
Sign Pole	The Board of Supervisors, Parking Permit required ALL DAY, C Permit, TOW AWAY ZONE		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	LOADING ZONE aspen, One Way Enclosed in Right Arrow, Loading Zone/Pay by Plate Combo, Loading Zone/Pay by Plate Combo - Schedule		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow		Yes	Yes
Sign Pole	Advanced Intersection Lane Control (Two Lane), WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Sign Pole	Historic US Route (For Independent Use), TO, No Parking (Symbol), Left/Right Arrow		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	Yes
Sign Pole	No Right Turn (Symbol), Downtown Street Name, Downtown Street Name, Downtown Street Name, Downtown Street Name		Yes	Yes
Sign Pole	Reserved Parking(Disabled), Van Accessible, Pay by Plate Parking, 2 Hour Parking		Yes	Yes
Sign Pole	Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes
Sign Pole	No Parking (Symbol), Advanced Intersection Lane Control (Two Lane)		Yes	No
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	NO BICYCLES ON SIDE WALK THIS BLOCK		Yes	Yes
Sign Pole	Loading Zone/Pay by Plate Combo, Loading Zone/Pay by Plate Combo - Schedule, 2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Thru Traffic Merge Left/Right		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes

Sign Pole	No Left Turn (Symbol), Downtown Street Name Overhead, One Way Enclosed in Right Arrow		Yes	Yes
Sign Pole	WINTER PARKING 3-7		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	No
Sign Pole	Seasonal Restriction - No Parking, Pay by Plate Parking, 2 HOUR PARKING, WINTER PARKING 3-7		Yes	Yes
Sign Pole	Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes
Sign Pole	One Way Enclosed in Right Arrow, One Way Enclosed in Left Arrow		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	No Parking (Symbol), NO BICYCLES ON SIDE WALK THIS BLOCK		Yes	Yes
Street Light Pole	Direct Bury Painted		Yes	No
Sign Pole	NO BICYCLES ON SIDE WALK THIS BLOCK, Downtown Street Name, Downtown Street Name, Downtown Street Name, Downtown Street Name		Yes	Yes
Sign Pole	One Way Enclosed in Right Arrow		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	No Parking (Symbol)		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	No Parking (Symbol), Turn Only		Yes	Yes
Street Light Pole	Direct Bury Painted		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	NO BICYCLES ON SIDE WALK THIS BLOCK		Yes	Yes
Sign Pole	Reserved Parking(Disabled), Van Accessible, Pay by Plate Parking, 2 Hour Parking		Yes	Yes
Sign Pole	Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes

Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Left/Right Arrow, Hospital		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	WINTER PARKING 3-7		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow, Stop, One Way Enclosed in Right Arrow		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Thru Traffic Merge Left/Right		Yes	No
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Sign Pole	No Left Turn (Symbol), Downtown Street Name Overhead, One Way Enclosed in Right Arrow		Yes	Yes
Street Light Pole	Direct Bury Painted		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	TWO HOUR PARKING, Pay by Plate Parking		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Loading Zone/Pay by Plate Combo, Loading Zone/Pay by Plate Combo - Schedule, LOADING ZONE aspen, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	No Parking (Symbol)		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Thru Traffic Merge Left/Right		Yes	No
Sign Pole	Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	NO BICYCLES ON SIDE WALK THIS BLOCK, One Way Enclosed in Right Arrow		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, 2 Hour Parking, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	Left/Right Arrow, Historic US Route (For Independent Use), TO		Yes	Yes
Sign Pole	No Parking (Symbol), Advanced Intersection Lane Control (Two Lane)		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Street Light Pole	Direct Bury Painted		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow, No Parking (Symbol)		Yes	Yes

Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	No
Sign Pole	One Way Enclosed in Right Arrow		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	No Left Turn (Symbol), Downtown Street Name Overhead, One Way Enclosed in Right Arrow, NO BICYCLES ON SIDE WALK THIS BLOCK		Yes	No
Sign Pole	No Parking (Symbol)		Yes	No
Street Light Pole	Decorative: Downtown		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	Downtown Information, No Parking (Symbol)		Yes	Yes
Sign Pole	Private, Unpermitted Vehicles, may be retrieved from, AM-PM Towing,		Yes	No
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	No Right Turn (Symbol), Downtown Street Name Overhead, One Way Enclosed in Left Arrow		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Reserved Parking(Disabled), Van Accessible, 2 Hour Parking, Pay to Park - E Permit Exempt, Parking Zones		Yes	Yes
Sign Pole	No Parking (Symbol)		Yes	Yes
Sign Pole	Pay by Plate Parking, 2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	No
Street Light Pole	Traffic Signal Painted		Yes	Yes
Sign Pole	Left Diagonal Arrow, School Advance Warning		Yes	No
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	Yes
Sign Pole	Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	NO BICYCLES ON SIDE WALK THIS BLOCK		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Direct Bury Painted		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes

Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Pay by Plate Parking, Seasonal Restriction - No Parking		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING	pay by plate	Yes	No
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	Destination with Arrow	Train Information	Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	City alleys notice		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	Overnight Parking By Permit Only, Parking Permit Required - F Permit, Parking Zone, County vehicles exempt, Accessible spaces exempt		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule	no parking schedule	Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking, WINTER PARKING 3-7, Seasonal Restriction - No Parking		Yes	Yes
Sign Pole	Thru Traffic Merge Left/Right		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Street Light Pole	Direct Bury Painted		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	No Parking (Symbol)		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow		Yes	Yes
Sign Pole	Reserved Parking(Disabled), Pay by Plate Parking, 2 Hour Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes

Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	30 Minute Customer Courts	pay by plate	Yes	No
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	No
Sign Pole	2 HOUR PARKING, MOTORCYCLE PARKING ONLY, Pay by Plate Parking		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	Overnight Parking By Permit Only, Parking Permit required ALL DAY, C Permit, TOW AWAY ZONE, County vehicles exempt, Accessible spaces exempt		Yes	Yes
Sign Pole	WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown	a little farther down the road than it is marked	Yes	No
Sign Pole	One Way Enclosed in Right Arrow		Yes	No
Sign Pole	Overnight Parking By Permit Only, Parking Permit Required - F Permit, Parking Zone, County vehicles exempt, Accessible spaces exempt		Yes	Yes
Sign Pole	No Left Turn (Symbol), Downtown Street Name, Downtown Street Name, Downtown Street Name, Downtown Street Name		Yes	Yes
Sign Pole	School Advance Warning		Yes	No
Sign Pole	15 MINUTE PARKING ONLY		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	No
Street Light Pole	Decorative: Downtown		Yes	No
Sign Pole	No Parking (Symbol)		Yes	Yes
Sign Pole	No Parking (Symbol), One Way Enclosed in Right Arrow, One Way Enclosed in Left Arrow		Yes	Yes
Sign Pole	Pay to Park - E Permit Exempt, Parking Zone		Yes	Yes
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	One Way Enclosed in Left Arrow, Downtown Street Name, Downtown Street Name, Downtown Street Name, Downtown Street Name		Yes	No



Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Garbage Bin	Dual Composite Bin		Yes	Yes
Street Light Pole	Decorative: Downtown		Yes	Yes
Sign Pole	2 HOUR PARKING, Pay by Plate Parking		Yes	Yes
Sign Pole	One Way Enclosed in Right Arrow, Stop, One Way Enclosed in Left Arrow		Yes	Yes
Sign Pole	Pay by Plate Parking		Yes	No
Sign Pole	Pay by Plate Parking, Pay by Plate Parking Schedule		Yes	Yes
Sign Pole	2 HOUR PARKING, WINTER PARKING 3-7, Seasonal Restriction - No Parking, Pay by Plate Parking		Yes	Yes
Bollard			Yes	No
Bollard			Yes	No
Bollard			Yes	No
Sign Pole		customer parking only	Yes	No
Sign Pole		no sign on pole	Yes	No
Sign Pole		Pay by Plate Zone EN	Yes	No
Sign Pole	pay by plate		Yes	No
Bollard			Yes	No
Other		map of downtown	Yes	No
Bollard			Yes	No
Sign Pole		One way Slow watch for pedestrians	Yes	No
Sign Pole		Reserved for Police Parking	Yes	No
Bollard			Yes	No
Bollard			Yes	No
Bollard			Yes	No
Sign Pole		pay by plate	Yes	No
Bollard			Yes	No
Bike Rack			Yes	No
Sign Pole	Parking by Permit Only		Yes	No
Bollard			Yes	No
Sign Pole		Pay by Plate Permit Exempt	Yes	No
Garbage Bin			Yes	Yes
Street Light Pole			Yes	Yes
Sign Pole		Crossing Sign	Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes

Sign Pole		Just a pole no sign	Yes	No
Bike Rack			Yes	Yes
Bollard			Yes	Yes
Sign Pole		Customer Parking Only	Yes	Yes
Garbage Bin			Yes	Yes
Garbage Bin			Yes	Yes
Garbage Bin			Yes	Yes
Garbage Bin			Yes	Yes
Bollard			Yes	Yes
Street Light Pole			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Sign Pole		No Parking Symbol	Yes	Yes
Sign Pole		Overnight Parking by Permit, Employee Parking, Zone F5, Accessible Spaces Exempt, County Vehicles Exempt	Yes	Yes
Bollard			Yes	Yes
Garbage Bin			Yes	Yes
Garbage Bin			Yes	Yes
Garbage Bin			Yes	Yes
Garbage Bin			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Sign Pole		One Way	Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Sign Pole	Reserved Parking		Yes	Yes
Sign Pole	Reserved Parking		Yes	Yes
Sign Pole	Reserved Parking		Yes	Yes
Sign Pole	Reserved Parking		Yes	Yes
Sign Pole	Reserved Parking		Yes	Yes
Sign Pole	Reserved Parking		Yes	Yes
Sign Pole	Reserved Parking		Yes	Yes
Sign Pole	Reserved Parking		Yes	Yes
Sign Pole	No public parking reserved for		Yes	Yes
Sign Pole	Pay by Plate		Yes	Yes
Sign Pole	Tour bus, Bus Stop, No Parking		Yes	Yes
Sign Pole	Tour Bus, Bus stop, no parking		Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes

Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bike Rack			Yes	Yes
Bike Rack			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Sign Pole	Do not enter, no skateboards, roller skates, or roller blades on the sidewalk.		Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bike Rack			Yes	Yes
Sign Pole	No sign. Just a pole		Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Sign Pole	Customer parking only		Yes	Yes
Bike Rack			Yes	Yes
Bike Rack			Yes	Yes

Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bike Rack			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	No
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bike Rack			Yes	Yes
Bike Rack			Yes	Yes
Bike Rack			Yes	Yes
Bollard			Yes	Yes
Bike Rack			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bike Rack			Yes	Yes
Bike Rack			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bollard			Yes	Yes
Bike Rack			Yes	Yes
Bike Rack			Yes	Yes
Bollard			Yes	Yes

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Jarrett Nelson, Public Works Project Manager  
**Co-Submitter:** Sam Beckett  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024



**TITLE:**

**Consideration and Approval of Contract:** Approval of a Construction Manager at Risk Construction Phase Services Agreement for the Street Maintenance Program and approve GMP 1 to C and E Paving & Grading, LLC.

**STAFF RECOMMENDED ACTION:**

1. Approve the Construction Manager at Risk (CMAR) Construction Phase Services Agreement with C and E Paving & Grading, LLC for the Street Maintenance Program 2024, 2025 & 2026 for a Guaranteed Maximum Price (GMP) of \$6,376,102.20; and
2. Approve GMP 1 authorizing C and E Paving & Grading, LLC to execute the 2024 Street Maintenance Program; and
3. Authorize the City Manager to execute the necessary documents.

**Executive Summary:**

The Public Works Streets Section maintains over 700 lane miles of roadway surface infrastructure for the citizens, regional community members, and visitors. Roadways throughout the city vary in design and capacity. In addition to automobile travel, all modes of transportation are integrated and encouraged within the right of way. Modes of travel such as mass transit, bicycle, and pedestrian opportunities are prevalent and our Streets crews strive to provide transportation infrastructure that is well connected and as safe as possible for travel, regardless of the chosen mode. The City's annual Street Maintenance Overlay and Chip Seal Program is an effort to improve aging infrastructure within our existing transportation network. Planning efforts include an evaluation of the asphalt surface, edge treatments, recent overlay project sections, roads that meet maintenance needs, and road stripe engineering. Once the identified needs are prioritized, Street's utilizes funding provided from two sources to address the needs. The first source of revenue is Highway User Revenue Funds (HURF), or what's commonly referred to as the gas tax, a state shared revenue. The second source of revenue provided is sales tax proceeds collected as a result of the 2014 voter approved Road Repair and Street Safety Program (RRSS). This City Council action, if approved, will allow Streets to deliver the Annual Street Maintenance Fall 2024 Overlay utilizing local contractor C and E Paving & Grading, LLC and improve the community transportation infrastructure.

**Financial Impact:**

Project Name: Road Repair and Street Safety 2024 Construction GMP 1  
 Cost: \$6,376,102.20  
 Account Number Budgeted:046-06-163-3321-6-4443  
 FY2024-25 Budgeted Amount: \$10,928,658  
 Grant Funded: No  
 Funding Source: Road Repair and Street Safety Sales Taxes

**Policy Impact:**

The award of the CMAR Construction Phase Services Contract to C and E Paving & Grading, LLC will

authorize the City's Annual Street Maintenance Program for 2024, 2025 & 2026. Approval of GMP1 will authorize C and E Paving & Grading, LLC to execute the 2024 Street Maintenance Program. The overlay work will ensure that the City is maintaining its streets and providing for a well-protected and increased overall condition index for our roadways. The City of Flagstaff community continues to support initiatives creating and maintaining quality infrastructure throughout our transportation network.

**Previous Council Decision or Community Discussion:**

The City of Flagstaff City Council has approved CMAR contracts in previous years for the annual street maintenance and overlay program. Transportation maintenance programs has been a topic of discussion in previous sessions. Direction and feedback has been provided in multiple forums, such as the goal setting process, the annual budgetary process, and community service delivery expectation discussions. Clear direction has been provided to maintain our transportation system, establish asset inventory, deliver capital renewal programs and meet the community expectations. On May 21, 2024, the City Council approved the initial phase of the CMAR process by approving the Design Phase Services Agreement with C and E Paving & Grading, LLC in the amount of \$139,943.13.

**Options and Alternatives to Recommended Action:**

1. Approve the CMAR Construction Phase Services Contract to C and E Paving & Grading, LLC for the annual Street Maintenance Program for 2024, 2025 & 2026; and
2. Approve GMP1 authorizing C and E Paving & Grading, LLC to execute the 2024 Street Maintenance Program; or
3. Reject this construction phase of the CMAR process and provide direction to Staff.

**Background and History:**

The City has established an annual program to maintain existing street pavements. The program includes three major elements: non-structural upgrades of asphalt overlay, minor concrete repairs, accessibility improvements including sidewalk/ramp replacement and chip sealing. The citizens of Flagstaff approved the Road Repair and Street Safety Maintenance Program (RRSS) (Prop. 406). This is a dedicated sales tax providing funding of \$100 million over 20 years. The program has been aggressively addressing capital projects that have been identified to be in a high state of disrepair on the front end of the program with strong support for annual maintenance until the sales tax sunsets in 2034. The overlay and chip seal street segments are selected after evaluation of the street condition using pavement management asset software. Each street pavement is assigned an overall condition index (OCI) based on the type and severity of the distress observed. A pavement that has no distress is given an OCI of 100. Each pavement distress such as cracking or roughness reduces the street's OCI. The street pavements are ranked by OCI and the pavements exhibiting the most severe distress are programmed for resurfacing treatments and improvements. Chip seal techniques are also used to protect recently overlaid sections to prolong the life of the asphalt surface.

The Arizona State Legislature has authorized the use of Alternative Project Delivery Methods (APDM) as a method of project delivery. Included in these delivery methods the City of Flagstaff can procure a construction team utilizing a Qualifications Based Selection process for construction services from a firm deemed most qualified to perform the work. The enabling legislation also allows for provision of multiple Guaranteed Maximum Prices (GMP) under a single procurement.

At the March 17, 2020, City Council meeting, Council approved the award of the initial Professional Engineering Design Phase Services contract for the 2020, 2021 and 2022 programs to Peak Engineering, Inc. Two contract extensions have been utilized in both 2023 and 2024. Working collaboratively with City staff and C and E Paving & Grading, LLC, the team develops the annual program, costing evaluation, project scheduling, design document review, prioritization of roadway segments, logistics, quantity estimating, and preparation of final construction documents.

On behalf of the City of Flagstaff Streets Department, COF Procurement posted a formal solicitation to PlanetBids on March 6, 2024, to hire a Construction Manager at Risk (CMAR) pertaining to the Street Maintenance Program 2024, 2025, 2026. On March 16 & 23, 2024, City of Flagstaff Procurement team advertised a Request for Statement of Qualifications in the Arizona Daily Sun. Closing date for this request

was March 29, 2024. The Team received one (1) statement of qualification. An evaluation team of City staff and one design professional reviewed the statement and agreed to request approval from Council to award C and E Paving & Grading, LLC to hold the CMAR contract for the annual Street Maintenance Program 2024, 2025, 2026. The proposed Construction Phase Services Agreement and GMP1 is a key step towards beginning this project.

**Connection to PBB Priorities and Objectives:**

The maintenance of the transportation system is a critical part of "high performing governance" that supports not only community members but first responders to deliver their services and is a high priority in PBB.

**Connection to Regional Plan:**

Transportation and Public Infrastructure - Deliver quality community assets and continue to advocate and implement a highly performing multi-modal transportation system.

**Connection to Carbon Neutrality Plan:**

The asphalt mix design used in the overlay portion and chip seal binders for the project has recycled asphalt incorporated into the mix, thus reducing the usage of new fossil fuels.

**Connection to 10-Year Housing Plan:**

None

**Connection to Division Specific Plan:**

None

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**Attachments:**    [CMAR Construction Phase Services Agreement](#)  
                          [Exhibit B - GMP1 2024](#)  
                          [2024 Streets Maintenance Program Overview Map](#)



# City of Flagstaff, Arizona

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## Street Maintenance Program 2024, 2025 & 2026

### CONSTRUCTION MANAGER AT RISK CONSTRUCTION PHASE SERVICES

Agreement No. 2024-65

**Mayor**

*Becky Daggett*

**Council**

*Austin Aslan  
Deborah Harris  
Khara House*

*Lori Matthews  
Jim McCarthy  
Miranda Sweet*

**City Manager**

*Greg Clifton*

**Water Services Director**

*Shannon Jones*

**Community  
Development Director**

*Dan Folke*

**Public Works Director**

*Scott Overton*

**Engineering & Capital Improvements Director**

*Paul Mood*



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# City of Flagstaff, Arizona

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## Street Maintenance Program 2024, 2025 & 2026 CONSTRUCTION MANAGER AT RISK CONSTRUCTION PHASE SERVICES Agreement No. 2024-45

This Construction Services Agreement (“Agreement”) is made and entered into by and between the City of Flagstaff, a political subdivision of the State of Arizona (“Owner”), and C and E Paving & Grading, L.L.C., an Arizona Limited Liability Company (“Construction Manager at Risk” or “CMAR”) on this \_\_\_ day of \_\_\_\_\_, 20\_\_.

### RECITALS

- A. The City Manager of the City of Flagstaff, Arizona, is authorized and empowered by provisions of the City Charter to execute agreements for professional services and construction services.
- B. The Owner intends to construct the **Street Maintenance Program 2024, 2025, 2026**, as more fully described in Exhibit “A,” attached (“Project”).
- C. To undertake the construction administration of the Project, the Owner has entered into separate agreements with Peak Engineering, Inc. (“Design Professional(s)").
- D. CMAR has represented to the Owner the ability to provide construction phase services for the Project, and based on this representation, the Owner hereby engages CMAR to provide these services and construct the Project.
- E. A Design Phase Services Agreement (Contract No. 2024-45) has been executed previously between the Owner and CMAR to perform design phase services for the Project. Those services may continue during the duration of this Agreement.

### AGREEMENT

**NOW THEREFORE**, for and in consideration of the mutual covenants and considerations hereinafter contained, it is agreed by and between the Owner and CMAR as follows:

#### **Article 1 – Terms and Definitions**

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“Addenda” - Written or graphic instruments issued prior to the submittal of the GMP Proposal(s), which clarify, correct or change the GMP Proposal(s) requirements.

“Agreement (Contract)” - This written document signed by the Owner and CMAR covering the design phase of the Project, and including other documents itemized and referenced in or attached to and made part of this Agreement.

“Alternate Systems Evaluations” - Alternatives for design, means and methods or other scope considerations that are evaluated using value engineering principles which have the potential to reduce construction costs while still delivering a quality and functional Project that meets the Owner requirements.

“Change Directive” - A written order prepared and signed by the Owner, directing a change in the Work prior to agreement on an adjustment in the Contract Price and the Contract Time.

“Change Order” - A type of contract amendment issued after execution of the Contract Documents where unanticipated or unforeseen circumstances in the Work have been encountered. Each Change Order shall be signed by the Owner and CMAR, stating their agreement upon all of the following: the addition, deletion or revision in the scope of services or Deliverables; the amount of the adjustment to the Contract Price; the amount of the adjustment to the Contract Time; or other modifications of other Agreement terms.

“City (Owner)” - The City of Flagstaff, a political subdivision of the State of Arizona, with whom CMAR has entered into this Agreement and for whom the services are to be provided pursuant to said Agreement.

“CMAR” - The Contractor selected by the Owner to provide design phase services as detailed in this Agreement.

“CMAR Representative” - The designated CMAR Representative.

“CMAR Senior Representative” - The designated CMAR Senior Representative.

“Construction Documents” - Certain plans, specifications and drawings prepared by the Design Professionals after correcting for permit review requirements or dated plans and specifications specifically identified as the “Construction Documents” herein or in an Exhibit or Addendum which is attached hereto.

“Construction Fee” - CMAR’s administrative costs for providing off-site management, supervision, General Conditions support, support of construction activities, home office overhead, and profit, as applicable to this Project, whether at CMAR’s principal or branch offices.

“Contingency, CMAR’s” - A fund to cover cost growth during the Project, legitimate unforeseen construction expenses, or expenses otherwise agreed to by the Owner to be used at the discretion of CMAR usually for costs that result from Project circumstances. The amount of CMAR’s Contingency shall be negotiated as a separate line item in each GMP package. Use and management of CMAR’s Contingency is described in this Agreement.

“Contingency, Owner’s” - A fund to cover cost growth during the Project used at the discretion of the Owner usually for costs that result from the Owner-directed changes or unforeseen Site conditions. The amount of the Owners’ Contingency shall be set solely by the Owner and shall be in addition to the CMAR’s GMP.

“Contract Documents” - The following items and documents in descending order of precedence executed by the Owner and CMAR: (i) all written modifications, amendments and Change Orders; (ii) this Agreement, including all exhibits and attachments; (iii) Construction Documents; and (iv) GMP Plans and Specifications.

“Contract Price” - The cost for services for this Agreement.

“Contract Time(s)” - The number of days or the dates related to the construction phase, including authorized adjustments, allotted in the Construction Documents for Substantial and final Completion of the Work, subject to Winter Shutdown.

“Cost Models” - Cost tabulation for the construction of the Project developed by the CMAR and continually updated throughout the preconstruction phase fee and utilized to develop the Guaranteed Maximum Price Proposal. The Cost Model is created using the Design Professionals list of standard pay items.

“Cost of the Work” - The direct costs necessarily incurred by CMAR in the proper performance of the Work. The Cost of the Work shall include direct labor costs, subcontract costs, costs of materials and equipment incorporated in the completed construction, costs of other materials and equipment, temporary facilities, permit and license fees, materials testing, and related items. The Cost of the Work shall not include CMAR’s Construction Fee, General Conditions Cost, bonds, insurance, or taxes.

“Critical Path Method” or “CMP” - A scheduling technique used to predict project duration by analyzing

which sequence of activities has the least amount of scheduling flexibility thus identifying the path (sequence) of activities which represent the longest time required to complete the Project. Delay in completion of the identified activities shall cause a delay in achieving Substantial Completion.

“Day(s)” - Calendar days unless otherwise specifically noted in the Contract Documents.

“Deliverables, Construction Phase Services Agreement” - The Work conducted by CMAR during the construction phase which may include, but is not limited to: Construction Management Plan, Project Schedule, Schedule of Values, alternative system evaluations, procurement strategies and plans, cost models, construction market surveys, cash flow projections, GMP Proposals, Subcontractor procurement plan, Statement of Proposed Minority Business Enterprise/Women’s Business Enterprise (“MBE/WBE”) Utilization as may be required or appropriate, Subcontractor agreements, Subcontractor bid packages, Supplier agreements, and others as indicated in this Agreement or required by the Project Team and other services set forth in this Agreement or reasonably inferable therefrom.

“Deliverables, Design Phase Services Agreement” - The Work conducted by CMAR during the design phase which may include, but is not limited to: design recommendations, Project scheduling, constructability reviews, alternate systems evaluation, cost estimate, Minority Business Enterprise/Woman’s Business Enterprise/Small Business Enterprise (“MBE/WBE/SBE”) utilization, Subcontractor agreements, Subcontractor bid packages, GMP preparations and other services set forth in this Agreement or reasonably inferable therefrom.

“Design Professional(s)” - A qualified, licensed design professional who furnishes design, construction documents, and/or construction administration services required for the Project.

“Drawings (Plans)” - Documents, which visually represent the scope, extent and character of the Work to be furnished and performed by CMAR during the construction phase, and which have been prepared or approved by the Design Professional(s) and the Owner. Includes Drawings that have reached a sufficient stage of completion and released by the Design Professional(s) solely for the purposes of review and/or use in performing constructability or biddability reviews and in preparing cost models (e.g., conceptual design Drawings, preliminary design Drawings, detailed design Drawings at 30%, 60%, 90% or 100% or schematic, design development, construction documents), but “not for construction”. Shop Drawings are not Drawings as so defined.

“Differing Site Conditions” - Concealed or latent physical conditions or subsurface conditions at the Site that: (i) materially differ from the conditions indicated in the Contract Documents; or (ii) are of an unusual nature, differing materially from the conditions ordinarily encountered and generally recognized as inherent in the Work.

“Final Completion” - 100% completion of all construction Work noted in, or reasonably inferred from, the Contract Documents, including but not limited to, all Punch Lists work, all record and close-out documents specified in Owner’s Project specifications and Owner training/start up activities.

“Float” - The number of Days by which an activity can be delayed without lengthening the CMP and extending the Substantial Completion date.

“General Conditions Costs” - All on-site Project-specific costs required to perform the Work, but not itemized or included in the Cost of the Work. Includes, but is not limited to, the following types of costs for CMAR during the construction phase: (i) payroll costs for Project manager or CMAR for Work conducted at the Site, (ii) payroll costs for the superintendent and full-time general foremen, (iii) payroll costs for other management personnel resident and working at the Site, (iv) workers not included as direct labor costs engaged in support (e.g. loading/unloading, clean-up, etc.), (v) costs of offices and temporary facilities setup solely for this Project including office materials, office supplies, office equipment and minor expenses, (vi) cost of utilities, fuel, sanitary facilities and telephone services at the Site; (vii) costs of liability and other applicable insurance premiums not include in labor burdens for direct labor costs; (viii) costs of bonds premiums; (ix) costs of consultants not in the direct employee of CMAR or Subcontractors.

“Guaranteed Maximum Price” (“GMP)” - The sum of the maximum Cost of the Work; the Construction Fee, General Conditions Costs, taxes, and CMAR’s Contingency.

“GMP Plans and Specifications” - Plans and specifications upon which the Guaranteed Maximum Price Proposal is based.

“Guaranteed Maximum Price (GMP) Proposal” - The offer or proposal of CMAR submitted on the prescribed form setting forth the GMP prices for the entire Work or portions of the Work to be performed during the construction phase. The GMP Proposal(s) are to be developed pursuant to Article 2 of this Agreement.

“Legal Requirements” - All applicable federal, state and local laws, codes, ordinances, rules, regulations, orders and decrees of any government or quasi-government entity having jurisdiction over the Project or Site, the practices involved in the Project or Site, or any Work.

“Notice to Proceed” or “NTP” - The directive issued by the Owner, authorizing CMAR to start Work.

“Opening Physical Conditions” - The current physical conditions present on the Site as jointly documented by an inspection of the Site by Owner and CMAR at the Pre-construction Conference.

“Owner’s Representative” - The designated City Project Manager.

“Owner’s Senior Representative” - The City of Flagstaff’s designated Division/Department Head.

“Performance Period” - The period of time allotted in the Contract Documents to complete the Work comprised within a GMP. The Performance Period shall be stated with each GMP and shown on the Project Master Schedule.

“Payment Request” - The form used by CMAR in requesting progress payments or final payment and which shall include such supporting documentation as is required by the Contract Documents and or the Owner.

“Pre-construction Conference” - A Conference held between Owner and CMAR prior to the commencement of any Work, as scheduled by the Owner’s Representative or designee.

“Product Data” - Illustrations, standard schedules, performance charts, instructions, brochures, diagrams, and other information furnished by CMAR to illustrate materials or equipment for some portion of the Work.

“Project” - The Work to be completed in the execution of this Agreement, as amended, and as described in the Recitals above and in Exhibit “A” attached.

“Project Team” - The design phase services team consisting of the Design Professional(s), CMAR, the Owner’s Representative, the Owner’s Client Department representatives and other stakeholders who are responsible for making decisions regarding the Project.

“Schedule of Values (SOV)” - A statement furnished by CMAR to the Owner’s Representative for approval, reflecting the portions of the GMP allotted for the various parts of the Work and used as the basis for evaluating CMAR’s applications for progress payments.

“Shop Drawings” - All drawings, diagrams, schedules and other data specifically prepared for the Work by CMAR or a Subcontractor, Sub-Subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

“Site” - Land or premises on which the Project is located.

“Specifications” - The part(s) of the Contract Documents for the construction phase consisting of written technical descriptions of materials, equipment, construction systems, standards and workmanship, as

applied to the Work, and certain administrative details applicable thereto.

“Subconsultant” - A person, firm or corporation having an agreement with CMAR to furnish services required as its independent professional associate or consultant with respect to the Project.

“Subcontractor” - An individual or firm having a direct agreement with CMAR or any other individual or firm having an agreement with the aforesaid contractors at any tier, who undertakes to perform a part of the design phase services or construction phase Work at the Site for which CMAR is responsible.

“Submittals” - Documents and/or things that may be produced or presented by one party for consideration, review, or such other actions as may be required by this Agreement by another party, entity or person. Examples of Submittals include, but are not limited to, preliminary or evolving drafts, product data samples, etc.

“Substantial Completion” - The construction services for the Work (or a specified part thereof) has progressed to the point where, in the opinion of the Owner’s Representative, as evidenced by a Certificate of Substantial Completion, such construction services are sufficiently complete in accordance with the Contract Documents, so that the Work (or specified part) can be utilized for the purposes for which it is intended; without any outstanding concurrent Work at the site, except as may be required to complete or correct Punch List items. If no such certificate is issued, Substantial Completion takes place when the construction services Work or a Construction Phase is complete and ready for final payment as evidenced by the written recommendation of final payment by the Owner’s Representative. The terms “substantially complete” and “substantially completed” as applied to all or part of the construction Work refers to Substantial Completion thereof.

“Supplier” - A manufacturer, fabricator, supplier, distributor, materialman or vendor having a direct agreement with CMAR or with any Subcontractor to furnish materials or equipment to be incorporated in the construction phase Work by CMAR or any Subcontractor.

“Winter Shutdown” - The period of time typically including December through March during which no Work will be performed by any person or entity (including, but not limited to, the CMAR) on the Project and CMAR shall shutdown, properly insulate and shelter the Project in a safe and workmanlike manner pursuant to local, state and federal laws. Although December through March is typically the time frame, the Owner reserves the right to initiate and terminate a Winter Shutdown at the Owner’s sole discretion in the event of adverse weather conditions. A Winter Shutdown may be declared by the Owner despite delays, for any reason, on the Project.

“Work” - The entire completed construction or the various separately identifiable parts thereof, required to be furnished during the construction phase. Work includes and is the result of performing or furnishing labor and furnishing and incorporating materials, resources and equipment into the construction, and performing or furnishing services and documents as required by the Contract Documents for the construction phase.

## **Article 2 – CMAR’s Services and Responsibilities**

**2.0** CMAR shall furnish any and all labor, materials, equipment, transportation, utilities, services and facilities required to perform all Work for the construction of the Project, and to completely and totally construct the same and install the material therein for the Owner. All Work shall be performed in a good and workmanlike and substantial manner and within the care and skill of a qualified CMAR in Flagstaff, Arizona. The Work shall be to the satisfaction of the Owner and strictly pursuant to and in conformity with the Project’s Contract Documents. It is not required that the services be performed in the sequence in which they are described.

## **2.1 General Services**

CMAR's Representative shall be reasonably available to the Owner and shall have the necessary expertise and experience required to supervise the Work. CMAR's Representative shall communicate regularly with the Owner but not less than once a week and shall be vested with the authority to act on behalf of CMAR. CMAR's Representative may be replaced only with the written consent of the Owner.

## **2.2 Government Approvals and Permits**

2.2.1 Unless otherwise provided, CMAR shall obtain all applicable and/or necessary permits, approvals and licenses required for the prosecution of the Work from any government or quasi-government entity having jurisdiction over the Project. CMAR is specifically reminded of the need to obtain the applicable and/or necessary environmental permits or file the applicable and/or necessary environmental notices.

2.2.2 Copies of the permits and notices identified in this Agreement must be provided to the Owner's Representative prior to starting the permitted activity. In the case of Fire Department permits, a copy of the application for permit shall also be provided to the Owner's Representative. This provision does not constitute an assumption by the Owner of an obligation of any kind for violation of said permit or notice requirements.

2.2.3 Owner shall be responsible for City of Flagstaff review and permit(s) fees for grading and drainage, water, sewer, floodplain, and landscaping. Owner shall also pay for utility design fees for permanent services.

2.2.4 CMAR shall be responsible for all other permits and review fees not specifically listed in this Agreements

2.2.5 CMAR shall be responsible for the cost of water meter(s), water and sewer taps, fire lines and taps, and all water bills on the project meters until Substantial Completion of the Project. Arrangements for construction water are CMAR's responsibility.

## **2.3 Pre-construction Conference**

2.3.1 Prior to the commencement of any Work, the Owner's Representative or designee shall schedule and conduct a Preconstruction Conference.

2.3.1.1 At the Pre-Construction Conference, Owner and CMAR shall document the Opening Physical Conditions of the Site as jointly documented by an inspection of the Site by Owner and CMAR at the Pre-Construction.

2.3.2 The purpose of this conference is to establish a working relationship between CMAR, utility firms, and various City agencies. The agenda shall include critical elements of the work schedule, submittal schedule, cost breakdown of major lump sum items, Payment Requests and processing, coordination with the involved utility firms, the level of Project Record Documents required and emergency telephone numbers for all representatives involved during construction.

2.3.3 The Notice to Proceed date shall be concurred with by the parties or set by the Owner at the Preconstruction Conference. After the meeting and upon receipt of a signed Agreement and delivery of the required bonds and insurance in an Owner approved format, a Notice to Proceed letter shall be issued confirming the construction start date, Performance Period and if applicable, the Substantial Completion date. If a Substantial Completion date is established the conditions of the Substantial Completion shall be listed and/or as set forth in Article 1 herein. Failure by CMAR to provide the properly executed bond and insurance forms in a timely manner may delay the construction start date; however, it shall not alter the proposed Substantial Completion date nor be

a basis for any time extension request or other claims.

2.3.4 CMAR shall provide a Schedule of Values based on the categories used in the buyout of the Work but not greater than the approved GMPs and identifying CMAR's Contingency. The Schedule of Values shall subdivide the Work into all items comprising the Work. The Schedule of Values shall contain sufficient detail to identify each individual element of the Work and shall relate to the approved GMPs Schedule. The Schedule of Values shall be subject to approval by the Owner's representative.

2.3.5 Minimum attendance by CMAR shall be CMAR's Representative, who is authorized to execute and sign documents on behalf of the firm, the CMAR Senior Representative, and CMAR's safety officer.

## **2.4 Control of the Work**

2.4.1 Unless otherwise provided in the Contract Documents to be the responsibility of the Owner or a separate Contractor, CMAR shall provide through itself or Subcontractors the necessary supervision, labor, inspection, testing, start-up, material, equipment, machinery, temporary utilities, and other temporary facilities to permit CMAR to complete the Work consistent with the Contract Documents.

2.4.2 CMAR shall perform all construction activities efficiently and with the requisite expertise, skill, and competence to satisfy the requirements of the Contract Documents. CMAR shall at all times exercise complete and exclusive control over the means, methods, sequences and techniques of construction.

2.4.3 CMAR's Representative or CMAR's Senior Representative shall be present at the Sites at all times that construction activities are taking place.

2.4.3.1 All elements of the Work shall be under the direct supervision of a foreman or his designated representative on the Sites who shall have the authority to take actions required to properly carry out that particular element of the work.

2.4.3.2 In the event of noncompliance with this Section, the Owner may require CMAR to stop or suspend the Work in whole or in part.

2.4.4 Where the Contract Documents require that a particular product be installed and/or applied by an applicator approved by the manufacturer, it is CMAR's responsibility to ensure the Subcontractor employed for such work is approved by the manufacturer.

2.4.5 Before ordering materials or doing work, CMAR and each Subcontractor shall verify measurements at the Site and shall be responsible for the correctness of such measurements. No extra charge or compensation shall be allowed because of differences between actual dimensions and the dimensions indicated on the drawings; differences which may be found shall be submitted to the Owner for resolution before proceeding with the Work.

2.4.6 CMAR shall take field measurements and verify field conditions and shall carefully compare such field measurements and conditions and other information known to CMAR with the Contract Documents before commencing activities. Errors, inconsistencies, or omissions discovered shall be reported to the Owner at once.

2.4.7 CMAR shall establish and maintain all construction grades, lines, levels, and benchmarks, and shall be responsible for accuracy and protection of same. This Work shall be performed or supervised by a Civil Engineer or Surveyor licensed as such in the State of Arizona.

2.4.8 Any person employed by CMAR or any Subcontractor who, in the opinion of the Owner, does not perform his or her work in a proper, skillful, and safe manner or is intemperate or disorderly shall, at



the written request of the Owner, be removed from the Work by CMAR or Subcontractor employing such person, and shall not be employed again in any portion of Work without the written approval of the Owner. CMAR or Subcontractor shall hold the Owner harmless from damages or claims which may occur in the enforcement of this Section.

- 2.4.9 CMAR assumes responsibility to the Owner for the proper performance of the work of Subcontractors and any acts and omissions in connection with such performance. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between the Owner and any Subcontractor or Sub-Subcontractor, including but not limited to any third-party beneficiary rights.
- 2.4.10 CMAR shall coordinate the activities of all Subcontractors. If the Owner performs other work on the Project or at the Site with separate contractors under the Owner's control, CMAR agrees to reasonably cooperate and coordinate its activities with those of such separate contractors so that the Project can be completed in an orderly and coordinated manner without unreasonable disruption.

## **2.5 Control of the Work Site**

- 2.5.1 Throughout all phases of construction, including suspension of Work, CMAR shall keep the Site reasonably free from debris, trash and construction wastes to permit CMAR to perform its construction services efficiently, safely and without interfering with the use of adjacent land areas. Upon Substantial Completion of the Work, or a portion of the Work, CMAR shall remove all debris, trash, construction wastes, materials, equipment, machinery and tools arising from the Work or applicable portions thereof to permit the Owner to occupy the Project or a portion of the Project for its intended use.
- 2.5.2 CMAR shall take whatever steps, procedures or means to prevent any dust nuisance due to construction operations. The dust control measures shall be maintained at all times to the satisfaction of the Owner and in accordance with the requirements of the Arizona Department of Environmental Quality rules and regulations.
- 2.5.3 CMAR shall maintain ADA, ADAAG and ANSI accessibility requirements during construction activities in an occupied building or facility. ADA, ADAAG and ANSI accessibility requirements shall include, but not be limited to, parking, building access, entrances, exits, restrooms, areas of refuge, and emergency exit paths of travel. CMAR shall be responsible for the coordination of all work to minimize disruption to building occupants and facilities.
- 2.5.4 Only materials and equipment which are to be used directly in the Work shall be brought to and stored on the Site by CMAR. When equipment is no longer required for the Work, it shall be removed promptly from the Site. Protection of construction materials and equipment stored at the Site from weather, theft, damage and all other adversity is solely the responsibility of CMAR.

## **2.6 Shop Drawings, Product Data and Samples**

- 2.6.1 Shop Drawings, Product Data, Samples and similar Submittals are not Contract Documents. The purpose of their submittal is to demonstrate, for those portions of the Work for which Submittals are required, the way CMAR proposes to conform to the information given and the design concept expressed in the Contract Documents.
- 2.6.2 CMAR shall review, approve, verify, and submit to the Owner five copies of each Shop Drawing, Product Data, Sample, and similar Submittals required by the Contract Documents in accordance with the approved GMP schedule as to cause no delay in the Work or in the activities of the Owner or of separate contractors. Submittals made by CMAR, which are not required by the Contract Documents, may be returned without action.

- 2.6.3 CMAR shall perform no portion of the Work requiring submittal and review of Shop Drawings, Product Data, Samples, or similar Submittals until the respective submittal has been approved by the Owner or Owner's designee. Such Work shall be in accordance with approved Submittals.
- 2.6.4 By approving, verifying and submitting Shop Drawings, Product Data, Samples and similar Submittals, CMAR represents that CMAR has determined and verified materials, field measurements and field construction criteria related thereto, or shall do so, and has checked and coordinated the information contained within such Submittals with the requirements of the Work and of the Contract Documents.
- 2.6.5 CMAR shall not be relieved of responsibility for deviations from requirements of the Contract Documents by the Owner's approval of Shop Drawings, Product Data, Samples or similar Submittals unless CMAR has specifically informed the Owner in writing of such deviation at the time of submittal and the Owner has given written approval to the specific deviation. CMAR shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples, or similar Submittals by the Owner's approval thereof.
- 2.6.6 CMAR shall direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples, or similar Submittals, to revisions other than those requested by the Owner on previous Submittals.
- 2.6.7 Informational Submittals upon which the Owner is not expected to take responsive action may be so identified in the Contract Documents.
- 2.6.8 When professional certification of performance criteria of materials, systems or equipment is required by the Contract Documents, the Owner shall be entitled to rely upon the accuracy and completeness of such calculations and certifications.

## **2.7 Quality Control, Testing and Inspection**

- 2.7.1 All materials used in the Work shall be new and unused, unless otherwise noted, and shall meet all quality requirements of the Contract Documents.
- 2.7.2 All construction materials to be used on the Work or incorporated into the Work, equipment, plant, tools, appliances or methods to be used in the Work may be subject to the inspection and approval or rejection by the Owner. Any material rejected by the Owner shall be removed immediately and replaced in an acceptable manner.
- 2.7.3 The procedures and methods used to sample and test material shall be determined by the Owner. Unless otherwise specified, samples and tests shall be made in accordance with the most recently adopted edition of the City of Flagstaff Engineering Division Design and Construction Standards and Specifications.
- 2.7.4 The Owner shall select a City or Independent Testing Laboratory and shall pay for initial City Acceptance Testing.
  - 2.7.4.1 When the first and/or subsequent tests indicate noncompliance with the Contract Documents, the cost associated with that noncompliance and the cost of all tests, except the first test, shall be paid for by CMAR. CMAR's Contingency cannot be utilized for the cost of re-testing.
  - 2.7.4.2 When the first and/or subsequent tests indicate noncompliance with the Contract Documents, all retesting shall be performed by the same testing agency.
- 2.7.5 CMAR shall cooperate with the selected testing laboratory and all others responsible for testing and inspecting the work and shall provide them access to the Work at all times.

- 2.7.6 At the option of the Owner, materials may be approved at the source of supply before delivery is started.
- 2.7.7 Code compliance testing and inspections required by codes or ordinances, or by a plan approval authority, and which are made by a legally constituted authority, shall be the responsibility of and shall be paid by CMAR, unless otherwise provided in the Contract Documents.
- 2.7.8 CMAR's convenience and quality control testing and inspections shall be the sole responsibility of CMAR and paid by CMAR.

## **2.8 Trade Names and Substitutions**

- 2.8.1 Unless indicated that no substitutions are permitted, CMAR may request a substitution or alternative to Contract Document references to equipment, materials or patented processes by manufacturer, trade name, make or catalog number, subject to the following:
- 2.8.2 The substitution shall be submitted by CMAR in writing to the Owner.
- 2.8.3 CMAR shall certify that the substitution shall perform the functions and achieve the results called for by the general design, be similar and of equal substance, and be suited to the same use as that specified.
- 2.8.4 The submittal shall state any required changes in the Contract Documents to adapt the design to the proposed substitution.
- 2.8.5 The submittal shall contain an itemized estimate of all costs and credits that will result directly and indirectly from the acceptance of such substitution, including cost of design, license fees, royalties, and testing. Also, the submittal shall include any adjustment in the Contract Time created by the substitution.
- 2.8.6 CMAR if requested by the Owner shall submit Samples or any additional information that may be necessary to evaluate the acceptability of the substitution.
- 2.8.7 The Owner shall make the final decision and shall notify CMAR in writing as to whether the substitution has been accepted or rejected.
- 2.8.8 If the Owner does not respond in a timely manner, CMAR shall continue to perform the Work in accordance with the Contract Documents and the substitution shall be considered rejected.

## **2.9 Project Record Documents**

- 2.9.1 During the construction period, CMAR shall maintain at the Site a set of blue-line or black-line prints of the Construction Document drawings and shop drawings for Project Record Document purposes.
  - 2.9.1.1 CMAR shall mark these drawings to indicate the actual installation where the installation varies appreciably from the original Construction Documents. CMAR shall give particular attention to information on concealed elements, which would be difficult to identify or measure and record later. Items required to be marked include but are not limited to:
    - 2.9.1.1.1 Dimensional changes to the drawings
    - 2.9.1.1.2 Revisions to details shown on drawings
    - 2.9.1.1.3 Locations and depths of underground utilities

- 2.9.1.1.4 Revisions to routing of piping and conduits
- 2.9.1.1.5 Actual equipment locations
- 2.9.1.1.6 Locations of concealed internal utilities
- 2.9.1.1.7 Changes made by Change Order, Change Order Directive, Field Order, Record of Field Change, ASI's and RFI's
- 2.9.1.1.8 Addenda and other details not on original Agreement Drawings
- 2.9.1.2 CMAR shall mark completely and accurately Project Record Drawing prints of Construction Documents or Shop Drawings, whichever is the most capable of indicating the actual physical condition. Where Shop Drawings are marked, show cross-reference on the Construction Documents location.
- 2.9.1.3 CMAR shall mark Project Record Drawings sets with red erasable colored pencil.
- 2.9.1.4 CMAR shall note RFI Numbers, ASI Numbers and Change Order numbers, etc., as required to identify the source of the change to the Construction Documents.
- 2.9.1.5 CMAR shall, as a condition of Substantial Completion, submit Project Record Drawing prints and Shop Drawings to the Owner or its representative for review and comment.
- 2.9.2 Upon receipt of the reviewed Project Record Drawings from the Owner, CMAR shall correct any deficiencies and/or omissions to the drawings and prepare the following for submission to the Owner within 14 Days:
  - 2.9.2.1 CMAR shall provide a complete set of electronic Project Record Drawings prepared in AutoCAD format compatible with City of Flagstaff CADD technology. The Design Professional shall provide files of the original Construction Documents to CMAR for the use of preparing these final Project Record Drawings or CMAR may contract with the Design Professional to revise and update the electronic drawing files. Each drawing shall be clearly marked with "As-Built Document."
  - 2.9.2.2 CMAR shall provide a complete set of digital final AutoCAD drawings.
  - 2.9.2.3 CMAR shall provide the original copy of the Project Record Drawings (redline mark-ups).

## **2.10 Project Safety**

- 2.10.1 CMAR recognizes the importance of performing the Work in a safe manner so as to prevent damage, injury or loss to (i) all individuals at the Site, whether working or visiting, (ii) the Work, including materials and equipment incorporated into the Work or stored on-Site or off-Site, and (iii) all other property at the Site or adjacent thereto.
- 2.10.2 CMAR assumes responsibility for implementing and monitoring all safety precautions and programs related to the performance of the Work.
- 2.10.3 CMAR shall, prior to commencing construction, designate a Safety Representative with the necessary qualifications and experience to supervise the implementation and monitoring of all safety precautions and programs related to the Work. Unless otherwise required by the Contract Documents, CMAR's Safety Representative shall be an individual stationed at the Site who may have other responsibilities on the Project in addition to safety.

- 2.10.4 The Safety Representative shall make routine daily inspections of the Site and shall hold weekly safety meetings with CMAR's personnel, Subcontractors and others as applicable.
- 2.10.5 CMAR and Subcontractors shall comply with all Legal Requirements relating to safety, as well as any City-specific safety requirements set forth in the Contract Documents, provided that such City-specific requirements do not violate any applicable Legal Requirement.
- 2.10.6 CMAR shall immediately report in writing any safety-related injury, loss, damage or accident arising from the Work to Owner's Representative and, to the extent mandated by Legal Requirements, to all government or quasi-government authorities having jurisdiction over safety-related matters involving the Project or the Work.
- 2.10.7 CMAR's responsibility for safety under this Section is not intended in any way to relieve Subcontractors and Sub-Subcontractors of their own contractual and legal obligations and responsibility for (i) complying with all Legal Requirements, including those related to health and safety matters, and (ii) taking all necessary measures to implement and monitor all safety precautions and programs to guard against injury, losses, damages or accidents resulting from their performance of the Work.

## **2.11 Warranty**

- 2.11.1 CMAR warrants to Owner that the construction, including all materials and equipment furnished as part of the construction, shall be new unless otherwise specified in the Contract Documents, of good quality, in conformance with the Contract Documents and free of defects in materials and workmanship.
- 2.11.2 CMAR's warranty obligation shall be for one (1) year, except for such greater period as may be required by the technical specifications.
- 2.11.3 Nothing in this warranty is intended to limit any manufacturer's warranty which provides The Owner with greater warranty rights than set forth in this Section or the Contract Documents. CMAR shall provide Owner with all manufacturers' warranties upon Substantial Completion.
- 2.11.4 Nothing in this warranty is intended to limit any other remedy at law that may be available to the Owner.

## **2.12 Correction of Defective Work**

- 2.12.1 CMAR agrees to correct any Work that is found to not be in conformance with the Contract Documents, including that part of the Work subject to this Agreement, within a period of one (1) year from the date of Substantial Completion of the Work or any portion of the Work, or within such longer period to the extent required by the Contract Documents, or as may be available to the Owner by law. A progress payment, or partial or entire use or occupancy of the Project by the Owner, shall not constitute acceptance of Work not in accordance with the Contract Documents.
- 2.12.2 During the performance of the Work, CMAR shall take meaningful steps to commence correction of such nonconforming Work as notified by the Owner or as discovered by CMAR. This includes the correction, removal or replacement of the nonconforming Work and any damage caused to other parts of the Work affected by the nonconforming Work. If CMAR fails to commence the necessary steps during the performance of the Work, Owner, in addition to any other remedies provided under the Contract Documents, may provide CMAR with written notice that Owner shall commence correction of such nonconforming Work with its own forces.
- 2.12.3 CMAR shall, take meaningful steps to commence correction of nonconforming Work subject to this Agreement, within seven (7) days of receipt of written notice from Owner. This includes the correction, removal or replacement of the nonconforming Work and any damage caused to other

parts of the Work affected by the nonconforming Work. If CMAR fails to commence the necessary steps within such seven-day period, Owner, in addition to any other remedies provided under the Contract Documents, may provide CMAR with written notice that Owner shall commence correction of such nonconforming Work with its own forces.

- 2.12.4 If Owner does perform such corrective Work, CMAR shall be responsible for all reasonable costs incurred by Owner in performing such correction.
- 2.12.5 For nonconforming Work that creates an emergency requiring an immediate response, CMAR shall respond and initiate corrections within twenty-four hours.
- 2.12.6 The one-year period identified in this Agreement applies only to CMAR's obligation to correct nonconforming Work relative to the warranty set forth in that section and is not intended to constitute a period of limitations for any other rights or remedies the Owner may have regarding CMAR's other obligations under the Contract Documents or as may be allowed by law.

### **Article 3 - The Owner's Services and Responsibilities**

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#### **3.1 Duty to Cooperate.**

- 3.1.1 Owner shall, throughout the performance of the Work, cooperate with CMAR and perform its responsibilities, obligations and services in a timely manner to facilitate CMAR's timely and efficient performance of the Work and so as not to delay or interfere with CMAR's performance of its obligations under the Contract Documents.
- 3.1.2 Owner shall furnish at CMAR's request, at no cost to CMAR, a CADD file of the Construction Documents in AutoCAD format compatible with the City of Flagstaff CADD technology.

#### **3.2 The Owner's Representative**

- 3.2.1 Owner's Representative shall be responsible for providing Owner supplied information and approvals in a timely manner to permit CMAR to fulfill its obligations under the Contract Documents.
- 3.2.2 Owner's Representative shall also provide CMAR with prompt notice if Owner's Representative observes any failure on the part of CMAR to fulfill its contractual obligations, including any default or defect in the project or non-conformance with the drawings and specifications.
- 3.2.3 The Owner may utilize field inspectors to assist the Owner's Representative during construction in observing performance of CMAR. The inspector is for the purpose of assisting the Owner's Representative and should not be confused with an inspector with a City regulatory department.
  - 3.2.3.1 The field inspector shall be authorized to inspect all Work and materials furnished. Such inspection may extend to all or part of the Work and to the preparation, fabrication or manufacture of the materials to be used.
  - 3.2.3.2 The field inspector shall not be authorized to issue instructions contrary to the Construction Documents or to act as foreman for CMAR.
  - 3.2.3.3 The field inspector shall have the authority to reject work or materials until any questions at issue can be decided by the Owner's Representative.
  - 3.2.3.4 The furnishing of such services for the Owner shall not make the Owner responsible for or give the Owner control over construction means, methods, techniques, sequences or procedures or for safety precautions or programs or responsibility for CMAR's failure to perform the work in accordance with Contract Documents.

### **3.3 Design Professional Services**

- 3.3.1 The Owner may contract separately with one or more Design Professional(s) to provide construction administration of the Project. The Design Professional(s)' agreement as well as other firms hired by the Owner shall be available for review by CMAR. CMAR shall not have any right however, to limit or restrict any contract provisions and/or modifications that are mutually acceptable to the Owner and Design Professional(s).
- 3.3.2 The Owner may contract with the Design Professional(s) to provide some or all of the following services during the performance of the Work.
  - 3.3.2.1 Provide oversight of the Work. The Owner and CMAR shall endeavor to communicate through the Design Professional. Communications by and with the Design Professional(s)' consultants shall be through the Design Professional(s).
  - 3.3.2.2 Conduct Site visits at intervals appropriate to the stage of construction to become generally familiar with the progress and quality of the completed Work and to determine in general if the Work is being performed in accordance with the Contract Documents. The Design Professional(s) shall keep the Owner informed of progress of the Work and any noted defects and deficiencies of the Work and shall endeavor to guard the Owner against defects and deficiencies in the Work. The Design Professional(s) may have authority to reject construction, which does not conform to the Construction Documents and to require additional inspection or testing of the construction in accordance with this Agreement.
  - 3.3.2.3 Review and recommend approval of Payment Requests.
  - 3.3.2.4 Review and approve or take other appropriate action upon CMAR's Submittals such as Shop Drawings, Product Data and Samples in accordance with this Agreement.
  - 3.3.2.5 Interpret and decide matters concerning performance under and requirements of the Contract Documents on written request of either the Owner or CMAR. The Design Professional(s)' response to such requests shall be made with reasonable promptness and within any time limits agreed upon.
  - 3.3.2.6 Prepare Change Orders and may authorize minor changes in the Work as defined in this Agreement.
  - 3.3.2.7 Conduct inspections to determine Substantial Completion and Final Acceptance.
  - 3.3.2.8 Receive and forward to the Owner for the Owner's review and records written warranties and related documents required by the Contract Documents and assembled by CMAR.

### **3.4 Owner's Separate Contractors**

- 3.4.1 Owner is responsible for all work performed on the Project or at the Site by separate contractors under Owner's control. Owner shall contractually require its separate contractors to cooperate with and coordinate their activities so as not to interfere with CMAR in order to enable CMAR to timely complete the Work consistent with the Contract Documents.

### **3.5 Permit Review and Inspections**

- 3.5.1 If requested by CMAR, the Owner's Representative shall provide assistance and guidance in obtaining necessary reviews, permits and inspections, however, the responsibility for obtaining the necessary reviews, permits and inspections remains with CMAR.

- 3.5.2 Regulating agencies of the Owner, such as Community Development, Fire, Planning, Building Inspection, Environmental Services, and Engineering Departments, enforce Legal Requirements. These enforcement activities are not subject to the responsibilities of the Owner under this Agreement.

## **Article 4 - Contract Time**

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### **4.0 Contract Time**

- 4.0.1 Contract Time shall start with the NTP with construction services and shall end with Substantial Completion.
- 4.0.2 Where there is more than one GMP, each GMP shall establish a separate NTP date and a Performance Period. The Performance Periods for individual GMPs may be sequential or concurrent as established in the individual Notices to Proceed. The Performance Period for the GMPs under this Agreement shall be three hundred sixty-five (365) calendar days starting with the NTP.
- 4.0.3 CMAR agrees that it shall commence timely performance of the Work and shall achieve substantial completion within the Performance Periods and Contract Time.
- 4.0.4 All of the times set forth in this Article 4 shall be subject to adjustment in accordance with other provisions of this Agreement.
- 4.0.5 Time is of the essence, for time matters and the rest of this Agreement. Pursuant to this Agreement, if, in the sole discretion of the Capital Improvements Division of the City of Flagstaff, the Project is not at Substantial Completion prior to the advent of adverse weather conditions, a Winter Shutdown shall occur during which no Work will be performed by any person or entity (including but not limited to the CMAR) on the Project and CMAR shall shutdown, properly insulate and shelter the Project in a safe and workmanlike manner pursuant to local, state and federal laws. Although December through March is typically the time frame, the Owner reserves the right to initiate and terminate a Winter Shutdown at the Owner's sole discretion in the event of adverse weather conditions. A Winter Shutdown may be declared by the Owner despite delays, *for any reason*, on the Project.

### **4.1 Substantial Completion**

- 4.1.1 Substantial Completion shall be for the entire Project unless a partial Substantial Completion is identified in the approved GMP schedule and stated in the Notice to Proceed letter or as may be mutually agreed by the parties in writing. Substantial Completion shall be in accordance with the definition in this Agreement and with the criteria set forth in the NTP.
- 4.1.2 Prior to notifying the Owner, CMAR shall inspect the Work and prepare and submit to the Owner a comprehensive list of items to be completed or corrected. CMAR shall proceed promptly to complete and correct items on the list. Failure to include an item on such list does not alter the responsibility of CMAR to complete all Work in accordance *with the Contract Documents*.
- 4.1.3 CMAR shall notify Owner when it believes the Work, or to the extent permitted in the Contract Documents, a portion of the Work, is substantially complete.
- 4.1.4 Within five (5) days of Owner's receipt of CMAR's notice, the Owner and CMAR shall jointly inspect such Work to verify that it is substantially complete in accordance with the requirements of the Contract Documents.
- 4.1.5 If such Work is substantially complete, Owner shall prepare and issue a Certificate of Substantial Completion that shall set forth (i) the date of Substantial Completion of the Work or portion thereof,



(ii) the remaining items of Work that have to be completed within thirty (30) calendar days before Final Acceptance, (iii) provisions (to the extent not already provided in the Contract Documents) establishing Owner's and CMAR's responsibility for the Project's security, maintenance, utilities and insurance pending Final Acceptance and (iv) an acknowledgment that warranties commence to run on the date of Substantial Completion, except as may otherwise be noted in the Certificate of Substantial Completion.

4.1.6 Owner, at its option, may use a portion of the Work which has been determined to be substantially complete, provided, however, that (i) a Certificate of Substantial Completion has been issued for the portion of Work addressing the items in this Agreement, (ii) CMAR and Owner have obtained the consent of their sureties and insurers, and to the extent applicable, the appropriate government authorities having jurisdiction over the Project, and (iii) Owner and CMAR agree that Owner's use or occupancy shall not interfere with CMAR's completion of the remaining Work.

## **4.2 Final Completion**

4.2.1 Upon receipt of written notice that the Work or identified portions of the Work is ready for final inspection and acceptance, Owner and CMAR shall jointly inspect to verify that the remaining items of Work have been completed. The Owner shall issue a Final Completion Letter and payment pursuant to this Agreement.

## **4.3 Liquidated Damages**

4.3.1 CMAR understands that if Substantial Completion is not attained within the Contract Time as adjusted, the Owner shall suffer damages, which are difficult to determine and accurately specify. CMAR agrees that if Substantial Completion is not attained within the Contract Time as adjusted, CMAR shall pay the Owner \$570.00 (to be determined on an agreement-by-agreement basis) per day as liquidated damages for each Day that Substantial Completion extends beyond the date determined by the Contract Time as adjusted and further agrees that such amount is reasonable under the circumstances.

4.3.2 CMAR understands that if Final Completion is not attained within the Contract Time as adjusted, the Owner shall suffer damages, which are difficult to determine and accurately specify. CMAR agrees that if Final Completion is not attained within the Contract Time as adjusted, CMAR shall pay the Owner \$570.00 (to be determined on an agreement-by-agreement basis) per day as liquidated damages for each Day that Final Completion extends beyond the date determined by the Contract Time as adjusted and further agrees that such amount is reasonable under the circumstances.

## **4.4 Project Master Schedule**

4.4.1 The Project Master Schedule approved as part of a GMP shall be updated and maintained throughout the Work by CMAR.

4.4.2 The Project Master Schedule shall be revised by CMAR as required by conditions and progress of the Work, but such revisions shall not relieve CMAR of its obligations to complete the Work within the Contract Time, as such dates may be adjusted in accordance with the Contract Documents.

4.4.3 Updated Project Master Schedules shall be submitted monthly by CMAR to the Owner as part of the Payment Request.

4.4.3.1 CMAR shall provide Owner with a monthly status report with each Project Master Schedule detailing the progress of the Work, including: (i) if the Work is proceeding according to schedule, (ii) any discrepancies, conflicts, or ambiguities found to exist in the Contract Documents that require resolution, and (iii) other items that require resolution so as not to jeopardize ability to complete the Work as presented in the GMP and within the Contract Time.

- 4.4.3.2 With each schedule submittal CMAR shall include a transmittal letter including the following:
  - 4.4.3.2.1 Description of problem tasks (referenced to field instructions, requests for information (“RFI’s”), as appropriate.
  - 4.4.3.2.2 Current and anticipated delays including:
    - 4.4.3.2.2.1 Cause of the delay
    - 4.4.3.2.2.2 Corrective action and schedule adjustments to correct the delay
    - 4.4.3.2.2.3 Known or potential impact of the delay on other activities, milestones, and/or the date of Substantial Completion
  - 4.4.3.2.3 Changes in construction sequence
  - 4.4.3.2.4 Pending items and status thereof including but not limited to:
    - 4.4.3.2.4.1 Time Extension requests
    - 4.4.3.2.4.2 Other items
  - 4.4.3.2.5 Substantial Completion date status:
    - 4.4.3.2.5.1 If ahead of schedule, the number of calendar days ahead
    - 4.4.3.2.5.2 If behind schedule, the number of calendar days behind
    - 4.4.3.2.5.3 Other project or scheduling concerns
- 4.4.4 Owner's review of and response to the Project Master Schedule is only for general conformance with the scheduling requirements of the Contract Documents. The review shall not relieve CMAR from compliance with the requirements of the Contract Documents or be construed as relieving CMAR of its complete and exclusive control over the means, methods, sequences and techniques for executing the Work.
- 4.4.5 The Project Master Schedule shall include a CPM diagram schedule that shall show the sequence of activities, the interdependence of each activity and indicate the Critical Path.
  - 4.4.5.1 The CPM diagram schedule shall be in Days and indicate duration, earliest and latest start and finish dates for all activities, and total Float times for all activities except critical activities. The CPM diagram schedule shall be presented in a time scaled graphical format for the Project as a whole.
  - 4.4.5.2 The CPM diagram schedule shall indicate all relationships between activities.
  - 4.4.5.3 The activities making up the schedule shall be in sufficient detail to assure that adequate planning has been done for proper execution of the Work and such that it provides an appropriate basis for monitoring and evaluating the progress of the Work.
  - 4.4.5.4 The CPM diagram schedule shall be based upon activities, which would coincide with the Schedule of Values.
  - 4.4.5.5 The CPM diagram schedule shall show all Submittals associated with each work activity and the review time for each submittal.

- 4.4.5.6 The CPM diagram schedule shall show milestones, including milestones for Owner-furnished information, and shall include activities for Owner-furnished equipment and furniture when those activities are interrelated with CMAR activities.
- 4.4.5.7 The CPM diagram schedule shall include a critical path activity that reflects anticipated weather delay during the performance of the Agreement. The duration shall reflect the average climatic range and usual industrial conditions prevailing in the locality of the Site. Weather data shall be based on the information set forth on the City of Flagstaff's Table of "Monthly Anticipated Adverse Weather Calendar Days" and the explanatory paragraphs attached thereto.
- 4.4.6 The Project Master Schedule shall consider the Owner's and the tenants' occupancy requirements showing portions of the Project having occupancy priority, and Contract Time.
- 4.4.7 Float time shall be as prescribed below:
- 4.4.7.1 The total Float within the overall schedule, is not for the exclusive use of either the Owner or CMAR but is jointly owned by both and is a resource available to and shared by both parties as needed to meet Agreement milestones and the Project completion date.
- 4.4.7.2 CMAR shall not sequester shared Float through such strategies as extending activity duration estimates to consume available Float, using preferential logic, or using extensive crew/resource sequencing, etc. Since Float time within the schedule is jointly owned, no time extensions shall be granted nor delay damages paid until a delay occurs which extends the Work beyond the Substantial Completion date and then only if any such extensions or damages are shown to be justified under the Contract Documents.
- 4.4.7.3 Since Float time within the schedule is jointly owned, it is acknowledged that Owner-caused delays on the Project may be offset by Owner-caused time savings (i.e., critical path Submittals returned in less time than allowed by the Agreement, approval of substitution requests and credit changes which result in savings of time to CMAR, etc.). In such an event, CMAR shall not be entitled to receive a time extension or delay damages until all Owner-caused time savings are exceeded, and the Substantial Completion date is also exceeded.

## **Article 5- Contract Price**

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### **5.0 General**

- 5.0.1 CMAR agrees at his own cost and expense, to completely construct and install all Work and materials as called for by this Agreement, free and clear of all claims, liens and charges whatsoever, in the manner and under the conditions specified in the Contract Documents, within the time or times stated in the approved GMP.

### **5.1 Contract Price**

- 5.1.1 The Contract Price shall be as approved in the Guaranteed Maximum Price Proposal attached as Exhibit B and an amount of \$6,376,102.20 with an additional \$0 allowed for Owner's Contingency for a total contract price of \$6,376,102.20.
- 5.1.2 The Cost of the Work is actual costs and is a not-to-exceed reimbursable amount.
- 5.1.3 The General Conditions Costs will be included in the GMP as a not to exceed amount and paid for on actual costs based on submitted and approved invoices. The Construction Fee will be paid as a firm lump sum.

5.1.4 Taxes are deemed to include all sales, use consumer and other taxes, which are legally enacted when negotiations of the GMP were concluded, whether or not yet effective, or merely scheduled to go into effect. Taxes are actual costs and are a not-to-exceed reimbursable amount.

## **5.2 Guaranteed Maximum Price**

5.2.1 The GMP is composed of the maximum Cost of the Work; the Construction Fee; General Conditions Costs; taxes; and CMAR's contingency all of which are not-to-exceed cost reimbursable or lump sum amounts. CMAR is at risk to cover any additional Project costs. If the Cost of Work amount, set forth in the GMP, is in excess of the actual Cost of Work and/or CMAR's Contingency, said amount by which the Cost of Work set forth in the GMP is in excess of the actual Cost of Work and/or CMAR's Contingency, shall revert to the Owner.

5.2.2 The GMP is subject to adjustments made in accordance with this Agreement. Where the Work is conducted in phases, the Contractor shall submit GMP Amendments for each phase. Each GMP Amendment shall be subsequently adopted by the City Council. Upon Final Completion of each GMP phase, associated bonds may be released.

5.2.2.1 GMP Amendments will contain a separate project duration from the initial Agreement and any previous GMP amendments. Each GMP Amendment will be required to have a separate project completion date.

5.2.2.2 The requirements of a GMP submittal have been described in the Design Phase Services Agreement, but are more fully detailed in Exhibit B to this Construction Phase Services Agreement. The final GMP will be attached as Exhibit B.

5.2.3 GMP Amendments are cumulative except for CMAR's Contingency. The amount of CMAR's Contingency for each GMP shall be negotiated separately.

5.2.4 If the GMP requires an adjustment due to changes in the scope of the Work the cost of such changes is determined subject to this Agreement. The markups that may be allowed on such changes shall be no greater than the markups delineated in the approved GMP.

## **5.3 Contingencies**

5.3.1 CMAR's Contingency is an amount CMAR may use at its sole discretion for, an increase in the Cost of Work, and may use for increases in General Conditions Costs with written approval of the Owner. CMAR's Contingency is assumed to be a direct Project cost and all applicable markups shall be applied at the time of GMP submission.

5.3.2 When CMAR utilizes CMAR's Contingency funds, CMAR shall make the appropriate changes to the Schedule of Values with the next regular progress payment request. CMAR shall deduct the amount of CMAR's Contingency funds used from CMAR's Contingency line item and add the same amount to the line item on the Schedule of Values where the funds were used. If CMAR's contingency funds are used for a new line item that was not given with the original Schedule of Values, these shall be so indicated.

5.3.3 Owner's Contingency are funds to be used at the sole discretion of the Owner to cover any increases in Project costs that result from Owner directed changes or unforeseen Site conditions. Owner's Contingency shall be added to the GMP amount provided by CMAR, the sum of which shall be the full Contract Price for construction. At the time that Owner's Contingency is used the appropriate markups shall be applied.

## **5.4 Open Book**

- 5.4.1 CMAR shall submit to the Owner upon request all payrolls, reports, estimates, records and any other data concerning the Work performed or to be performed or concerning materials supplied or to be supplied, as well as Subcontractor or Consultant payment applications or invoices and such Subcontractor's or Consultant progress payment checks. The requirements of this Section shall be included in all Agreements between CMAR and its Subcontractors and Consultants. The Owner may exercise its rights under this Agreement as often as reasonably necessary in the Owner's sole judgment to assure the Owner has a complete and accurate understanding of all Project costs.
- 5.4.2 Upon Project closeout and immediately prior to the release of final payment, the CMAR shall provide to the Owner a Final Cost Report detailing all Project costs for each division of work with supporting documentation for materials, labor, equipment and other appurtenant items.

## **Article 6 - Changes to the Contract Price and Time**

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### **6.0 Delays to the Work**

- 6.0.1 If CMAR is delayed in the performance of the Work that shall cause a change in the date of Substantial Completion due to acts, omissions, conditions, events, or circumstances beyond its control and due to no fault of its own, or, those for whom CMAR is responsible, the Contract Times for performance shall be reasonably extended by Change Order. However, the Owner and the CMAR must agree on the determination of whether acts, omissions, conditions, events, or circumstances are actually beyond the CMARs control and/or whether they are due to no fault of the CMAR, or those for whom CMAR is responsible; if the Owner and the CMAR do not agree, then an independent third party, selected by both parties, shall make the determination of whether acts, omissions, conditions, events, or circumstances are actually beyond the CMARs control and/or whether they are due to no fault of the CMAR, or those for whom CMAR is responsible.
- 6.0.2 CMAR shall request an increase in the Contract Time by written notice including an estimate of probable effect of delay on progress of the Work within three (3) days of the occurrence of the delay. In the case of a continuing delay only one request is necessary.
- 6.0.3 By way of example, events that shall entitle CMAR to an extension of the Contract Time include acts or omissions of Owner or anyone under Owner's control (including separate Contractors), changes in the Work, Differing Site Conditions, Hazardous Conditions, delays by regulating agencies, wars, floods, labor disputes, unusual delay in transportation, epidemics abroad, earthquakes, adverse weather conditions not reasonably anticipated, and other acts of God.
- 6.0.4 If adverse weather conditions are the basis for a request for additional Contract Time, such requests shall be documented by data substantiating that weather conditions were abnormal for the period of time and could not have been reasonably anticipated, and that weather conditions had an adverse effect on the scheduled Substantial Completion. All terms, conditions, and definitions necessary for the application of this paragraph shall be as set forth on the City of Flagstaff's Table of "Monthly Anticipated Adverse Weather Calendar Days" and the explanatory paragraphs attached thereto.
- 6.0.5 It is understood, however, that permitting CMAR to proceed to complete any Work, or any part of the Work, after the date to which the time of completion may have been extended, shall in no way act as a waiver on the part of the Owner of any of its legal rights herein.
- 6.0.6 In addition to CMAR's right to a time extension for those events set forth in this Agreement, CMAR shall also be entitled to an appropriate adjustment of the Contract Price provided, however, that the Contract Price shall not be adjusted for those events set forth in this Section that are beyond the control of both CMAR and Owner, including the events of war, floods, labor disputes,

earthquakes, epidemics, adverse weather conditions not reasonably anticipated, and other acts of God and shall not be adjusted absent a showing of actual damage.

## **6.1 Differing Site Conditions**

6.1.1 If CMAR encounters a Differing Site Condition, CMAR shall be entitled to an adjustment in the Contract Price and/or Contract Times to the extent CMAR's cost and/or time of performance are actually adversely impacted by the Differing Site Condition.

6.1.2 Upon encountering a Differing Site Condition, CMAR shall provide prompt written notice to Owner of such condition, which notice shall not be later than seven (7) days after such condition has been encountered. CMAR shall, to the extent reasonably possible, provide such notice before the Differing Site Condition has been substantially disturbed or altered.

## **6.2 Errors, Discrepancies and Omissions**

6.2.1 If CMAR observes errors, discrepancies or omissions in the Contract Documents, CMAR shall promptly notify the Design Professional and request clarification.

6.2.2 If CMAR proceeds with the Work affected by such errors, discrepancies, or omissions, without receiving such clarifications, CMAR does so at its own risk. Adjustments involving such circumstances made by CMAR prior to clarification by the Design Professional shall be at CMAR's risk.

## **6.3 The Owner Requested Change in Work**

6.3.1 The Owner reserves the right to make, at any time during the progress of the Work, such alterations as may be found necessary or in the Owner's best interest.

6.3.2 Such alterations and changes shall not invalidate this Agreement nor release the surety and CMAR agrees to perform the Work as altered, the same as if it has been a part of the original Contract Documents.

6.3.3 The Owner shall request a proposal for a change in Work from CMAR, and an adjustment in the Contract Price and/or Contract Times shall be made based on a mutual agreed upon cost and time.

## **6.4 Legal Requirements**

6.4.1 The Contract Price and/or Contract Times shall be adjusted to compensate CMAR for the effects of any changes in the Legal Requirements enacted after the date of their Agreement or the date of the GMP, affecting the performance of the Work

## **6.5 Change Directives and Change Orders**

6.5.1 Owner and CMAR shall negotiate in good faith and as expeditiously as possible the appropriate adjustments for a Change Directive if any adjustments are appropriate. Upon reaching an agreement, the parties shall prepare and execute an appropriate Change Order reflecting the terms of the adjustment.

6.5.2 All changes in Work authorized by Change Directives and/or Change Orders shall be performed under the conditions of the Contract Documents.

## **6.6 Minor Changes in the Work**

6.6.1 The Owner has authority to order minor changes in Work that do not materially and adversely affect the Work, including the design, quality, performance, and workmanship required by the Contract

Documents. Such changes shall be affected by written order and shall be binding on the Owner and CMAR. CMAR shall carry out such written orders promptly.

6.6.2 CMAR may make minor changes in Work, provided, however that CMAR shall promptly inform Owner, in writing, of any such changes and record such changes, if appropriate, on the Project Record Documents maintained by CMAR.

6.6.3 Minor changes in Work shall not involve an adjustment in the Contract Price and/or Contract Times.

## **6.7 Contract Price Adjustments**

6.7.1 The increase or decrease in Contract Price resulting from a change in the Work shall be determined by one or more of the following methods:

6.7.1.1 Unit prices set forth in this Agreement or as subsequently agreed to between the parties;

6.7.1.2 A mutually accepted, lump sum, properly itemized and supported by sufficient substantiating data to permit evaluation by Owner; and

6.7.1.3 Costs, fees and any other markups.

6.7.2 The markups that shall be allowed on such changes shall be no greater than the markups delineated in the approved GMP as shown on Exhibit B.

6.7.3 If an increase or decrease cannot be agreed to as set forth in this Agreement and Owner issues a Change Directive, the cost of the change of the Work shall be determined by the reasonable expense and savings in the performance of the Work resulting from the change, including a reasonable overhead and profit, as may be set forth in their Agreement. CMAR shall maintain a documented, itemized accounting evidencing the expenses and savings associated with such changes.

6.7.4 If unit prices are set forth in the Contract Documents or are subsequently agreed to by the parties, but application of such unit prices shall cause substantial inequity to Owner or CMAR because of differences in the character or quantity of such unit items as originally contemplated, such unit prices shall be equitably adjusted.

6.7.5 If Owner and CMAR disagree upon whether CMAR is entitled to be paid for any services required by Owner, or if there are any other disagreements over the scope of Work or proposed changes to the Work, Owner and CMAR shall resolve the disagreement pursuant this Agreement.

6.7.5.1 As part of the negotiation process, CMAR shall furnish Owner with a good faith estimate of the costs to perform the disputed services in accordance with Owner's interpretations.

6.7.5.2 If the parties are unable to agree and Owner expects CMAR to perform the services in accordance with Owner's interpretations, CMAR shall proceed to perform the disputed services, conditioned upon Owner issuing a written order to CMAR (i) directing CMAR to proceed and (ii) specifying Owner's interpretation of the services that are to be performed.

## **6.8 Emergencies**

6.8.1 In any emergency affecting the safety of persons and/or property, CMAR shall act, at its discretion, to prevent threatened damage, injury or loss. Any change in the Contract Price and/or Contract Time resulting from emergency work under this Section shall be determined as provided in this Article.

## **6.9 Force Majeure**

- 6.9.1** The parties acknowledge that there may be events that occur during the term of this Contract that are beyond the control of both the Owner and the CMAR, including events of war, floods, labor, disputes, earthquakes, epidemics, pandemics, adverse weather conditions not reasonably anticipated, forest fires, and other acts of God. These events may result in temporary delay or permanent shut down of the work that is the subject of this Contract. This may be caused by such things as stay-at-home orders, loss of labor force, supply chain delays, and other impediments to timely delivery of the Contract.
- 6.9.2** The parties agree that there will be no claims arising from a temporary delay or permanent shut down caused by the events described above and that the Owner will pay no additional costs incurred as a result of such events.
- 6.9.3** The parties agree to act in good faith to extend the Contract completion date without any penalty to the CMAR and that the extension will be in an amount of time equal to any temporary delay. This term supersedes all other terms regarding temporary delay, permanent shut down, or increased costs.

## **Article 7- Procedure for Payment**

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### **7.0 General**

- 7.0.1** For and in consideration of the faithful performance of the Work herein embraced as set forth in the Contract Documents, which are a part hereof and in accordance with the directions of the Owner and to the Owner's satisfaction, the Owner agrees to pay CMAR the actual Cost of the Work and any applicable General Conditions Costs including, insurance and bonding, taxes and CMAR's Construction Fee, but no more than the GMP as adjusted by any change orders. Payment for the specific Work under this Agreement shall be made in accordance with payment provisions detailed below.

### **7.1 GMP Payment Request**

- 7.1.1** At the pre-construction conference prescribed in this Agreement, CMAR shall submit for Owner's review and approval a Schedule of Values. The Schedule of Values shall serve as the basis for monthly progress payments made to CMAR throughout the Work.
- 7.1.2** At least five (5) working days prior to the date established for a Payment Request, CMAR shall submit an updated Project Master Schedule and meet with the Owner's Representative to review the progress of the Work as it shall be reflected on the Payment Request.
- 7.1.3** The Payment Request shall constitute CMAR's representation that the Work has been performed consistent with the Contract Documents, has progressed to the point indicated in the Payment Request, and that title to all Work shall pass to Owner free and clear of all claims, liens, encumbrances, and security interests upon the incorporation of the Work into the Project. The Payment Request shall include, at a minimum:
- 7.1.3.1** Monthly Executive summary detailing work completed during the pay period, a statement addressing the project budget and schedule and the items of work anticipated for the upcoming pay period
- 7.1.3.2** Current critical path schedule
- 7.1.3.3** Pay application cover sheet, detailed schedule of values and conditional lien waivers upon release of progress payment



- 7.1.3.4 Subcontractor and Supplier invoices and conditional lien waivers for current pay period
- 7.1.3.5 General Conditions invoices for current pay period
- 7.1.3.6 Daily Reports for current pay period
- 7.1.3.7 Weekly reports for current pay period
- 7.1.3.8 Project meeting minutes for current pay period
- 7.1.3.9 Certified payroll reports- alphabetical by subcontractor (when required for Davis Bacon projects)
- 7.1.4 The Payment Request may request payment for stored equipment and materials if construction progress is in reasonable conformance with the approved schedule.
  - 7.1.4.1 For equipment and materials suitably stored at the Site, the equipment and materials shall be protected by suitable insurance and Owner shall receive the equipment and materials free and clear of all liens and encumbrances.
  - 7.1.4.2 For materials and equipment stored off the Site, the Owner must approve the storage. The material and equipment must be stored within Coconino County or other Sites as may be approved and be accessible for Owner's inspection. CMAR must establish Owner title to such materials and equipment or otherwise protect the Owner's interest and shall include applicable insurance, bonding, storage and transportation to the Site.
  - 7.1.4.3 All bonds and insurance required for stored materials shall name the Owner as the loss payee to the extent of its interest in the stored materials.
- 7.1.5 CMAR shall submit the Payment Request to Owner monthly either on the first of the month for payment on the 15th or on the 19th of the month for payment on the 30th or 31st. If the payment date is on a Saturday, payment shall be on Friday. If the payment date is on a Sunday, payment shall be on Monday.
- 7.2 Payment of GMP**
  - 7.2.1 Owner shall make payment in accordance with A.R.S. § 34-607. Payment shall be made no later than fourteen (14) days after the Payment Request is certified and approved, but in each case less the total of payments previously made, and less amounts properly retained under this Agreement.
  - 7.2.2 Owner shall pay CMAR all amounts properly due. If Owner determines that CMAR is not entitled to all or part of a Payment Request, it shall notify CMAR in writing within (7) days after the date Payment Request is received by the Owner. The notice shall indicate the specific amounts Owner intends to withhold, the reasons and contractual basis for the withholding, and the specific measures CMAR shall take to rectify Owner's concerns. CMAR and Owner shall attempt to resolve Owner's concerns. If the parties cannot resolve such concerns, CMAR may pursue its rights under the Contract Documents, including those identified in this Agreement.
- 7.3 Retention of GMP**
  - 7.3.1 Owner shall retain ten percent (10%) of each Payment Request amount provided. When fifty percent (50%) of the Work has been completed by CMAR, upon request of CMAR, Owner may reduce the amount retained to five percent (5%) from CMAR's subsequent Payment Requests if CMAR's performance of Work has been satisfactory.

- 7.3.2 In lieu of retention, CMAR may provide as a substitute, an assignment of time certificates of deposit (CDs) from a bank licensed by the State of Arizona, securities of or guaranteed by the United States of America, securities of counties, municipalities and school districts within the State of Arizona or shares of savings and loan institutions authorized to transact business in Arizona.
- 7.3.2.1 CDs assigned to the Owner must be maintained at the Owner's single servicing bank, in the form of time deposit receipt accounts.
- 7.3.2.2 Securities deposited in lieu of retention must be deposited into a separate account with a bank within the State of Arizona.
- 7.3.2.3 CDs and Securities shall be assigned exclusively for the benefit of the City of Flagstaff pursuant to the Owner's form of Escrow Agreement. Escrow Agreement forms may be obtained from the Purchasing Department by contacting Matthew Luhman, Purchasing Manager.

#### **7.4 Substantial Completion**

- 7.4.1 Upon Substantial Completion of the entire Work or, if applicable, any portion of the Work, Owner shall release to CMAR all retained amounts relating, as applicable, to the entire Work or completed portion of the Work, less an amount up to two and one-half (2.5) times the reasonable value of all remaining or incomplete items of Work as noted in the Certificate of Substantial Completion.

#### **7.5 Final Payment**

- 7.5.1 After receipt of a final Payment Request, Owner shall make final payment within sixty (60) days after receipt by the Owner, provided that CMAR has completed all of the Work in conformance with the Contract Documents and a Final Completion Letter has been issued by the Owner.
- 7.5.2 At the time of submission of its final Payment Request, CMAR shall provide the following information:
  - 7.5.2.1 An affidavit affirming that there are no claims, obligations or liens outstanding or unsatisfied for labor, services, material, equipment, taxes or other items performed, furnished or incurred for or in connection with the Work which shall in any way affect Owner's interests;
  - 7.5.2.2 A general release executed by CMAR waiving, upon receipt of final payment by CMAR, all claims, except those claims previously made in writing to Owner and remaining unsettled at the time of final payment; and
  - 7.5.2.3 Consent of CMAR's surety, if any, to final payment.

#### **7.6 Payments To Subcontractors or Suppliers**

- 7.6.1 CMAR shall pay its Subcontractors or suppliers within seven (7) calendar days of receipt of each progress payment from the Owner. CMAR shall pay for Work performed or materials supplied by each Subcontractor or supplier as accepted and approved by the Owner with each progress payment. In addition, any reduction of retention by the Owner to CMAR shall result in a corresponding reduction to Subcontractors or suppliers who have performed satisfactory work. CMAR shall pay Subcontractors or suppliers the reduced retention within fourteen (14) calendar days of the payment of the reduction of the retention to CMAR. No agreement between CMAR and its Subcontractors and suppliers may materially alter the rights of any Subcontractor or supplier to receive prompt payment and retention reduction as provided herein.
- 7.6.2 If CMAR fails to make payments in accordance with these provisions, the Owner may take any one or more of the following actions and CMAR agrees that the Owner may take such actions:

- 7.6.2.1 Hold CMAR in default under this Agreement;
- 7.6.2.2 Withhold future payments including retention until proper payment has been made to Subcontractors or suppliers in accordance with these provisions;
- 7.6.2.3 Reject all future offers to perform work for the Owner from CMAR for a period not to exceed one (1) year from Substantial Completion date of this Project; or
- 7.6.2.4 Terminate this Agreement.
- 7.6.3 If CMAR's payment to a Subcontractor or supplier is in dispute, it shall act in compliance with A.R.S. § 32-1129.02(D) and related statutes as amended and shall further hold the Owner harmless from any ensuing damages, claims or costs.
- 7.6.4 Should the Owner fail or delay in exercising or enforcing any right, power, privilege, or remedy under this Section, such failure or delay shall not be deemed a waiver, release, or modification of the requirements of this Section or of any of the terms or provisions thereof.
- 7.6.5 CMAR shall include these prompt payment provisions in every subcontract, including procurement of materials and leases of equipment for this Agreement.

## **7.7 Record Keeping and Finance Controls**

- 7.7.1 Records of CMAR's direct personnel payroll, reimbursable expenses pertaining to this Project and records of accounts between the Owner and CMAR shall be kept on a generally recognized accounting basis and shall be available for three (3) years after Final Completion of the Project.
- 7.7.2 The Owner, its authorized representative, and/or the appropriate federal agency, reserve the right to audit CMAR's records to verify the accuracy and appropriateness of all pricing data, including data used to negotiate Contract Documents and any Change Orders.
- 7.7.3 The Owner reserves the right to decrease Contract Price and/or payments made on this Agreement if, upon audit of CMAR's records, the audit discloses CMAR has provided false, misleading, or inaccurate cost and pricing data.
- 7.7.4 CMAR shall include a similar provision in all of its agreements with Subconsultants and Subcontractors providing services under the Contract Documents to ensure the Owner, its authorized representative, and/or the appropriate federal agency, has access to the Subconsultants' and Subcontractors' records to verify the accuracy of cost and pricing data.
- 7.7.5 The Owner reserves the right to decrease Contract Price and/or payments made on this Agreement if the above provision is not included in Subconsultant's and Subcontractor's Agreements, and one or more Subconsultants and/or Subcontractors do not allow the Owner to audit their records to verify the accuracy and appropriateness of pricing data.
- 7.7.6 The Owner and its employees, agents, and authorized representatives shall have the right at all reasonable times and during all business hours to inspect and examine CMAR's records related to this Agreement. CMAR shall comply with the City of Flagstaff's records retention policy. This record retention requirement shall remain in effect following expiration of the Agreement or termination of the Agreement by either Party.

## **Article 8 - Claims and Disputes**

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### **8.0 Requests for Agreement Adjustments and Relief.**

- 8.0.1 If either CMAR or Owner believes that it is entitled to relief against the other for any event arising out of or related to Work, such party shall provide written notice to the other party of the basis for its claim for relief.
- 8.0.2 Such notice shall, if possible, be made prior to incurring any cost or expense and in accordance with any specific notice requirements contained in applicable sections of the Agreement.
- 8.0.3 In the absence of any specific notice requirement, written notice shall be given within a reasonable time, not to exceed fourteen (14) days, after the occurrence giving rise to the claim for relief or after the claiming party reasonably should have recognized the event or condition giving rise to the request, whichever is later.
- 8.0.4 Such notice shall include sufficient information to advise the other party of the circumstances giving rise to the claim for relief, the specific contractual adjustment or relief requested and the basis of such request.

### **8.1 Dispute Avoidance and Resolution**

- 8.1.1 The parties are fully committed to working with each other throughout the Project and agree to communicate regularly with each other at all times so as to avoid or minimize disputes or disagreements. If disputes or disagreements do arise, CMAR and Owner each commit to resolving such disputes or disagreements in an amicable, professional and expeditious manner so as to avoid unnecessary losses, delays and disruptions to the Work.
- 8.1.2 CMAR and Owner shall first attempt to resolve disputes or disagreements at the field level through discussions between CMAR's Representative and Owner's Representative.
- 8.1.3 If a dispute or disagreement cannot be resolved through CMAR's Representative and Owner's Representative, CMAR's Senior Representative and Owner's Senior Representative, upon the request of either party, shall meet as soon as conveniently possible, but in no case later than thirty (30) days after such a request is made, to attempt to resolve such dispute or disagreement. Prior to any meetings between the Senior Representatives, the parties shall exchange relevant information that shall assist the parties in resolving their dispute or disagreement.
- 8.1.4 Except as otherwise agreed by the parties, any litigation brought by either party against the other to enforce the provisions of this Agreement shall be filed in the Coconino County Superior Court and Arizona law shall apply and control. In the event any action at law or in equity is instituted between the parties in connection with this Agreement, the prevailing party in the action shall be entitled to its costs including reasonable attorneys' fees and court costs from the non-prevailing party.

### **8.2 Duty to Continue Performance.**

- 8.2.1 Unless provided to the contrary in the Contract Documents, CMAR shall continue to perform the Work and Owner shall continue to satisfy its payment obligations to CMAR, pending the final resolution of any dispute or disagreement between CMAR and Owner.

### **8.3 Representatives of the Parties**

#### **8.3.1 The Owner's Representatives**

8.3.1.1 The Owner designates the individual listed below or his/her designee as its Senior Representative ("Owner's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under this Agreement:

Patrick Brown, Purchasing Director  
City of Flagstaff  
211 West Aspen Avenue  
Flagstaff, AZ 86001  
Phone: (928) 213-2277  
pbrown@flagstaffaz.gov

8.3.1.2 Owner designates the individual listed below as its Owner's Representative ("Owner's Representative"), which individual has the authority and responsibility under this Agreement:

Emily Markel, Purchasing Manager  
City of Flagstaff  
211 West Aspen Avenue  
Flagstaff, AZ 86001  
Phone: (928) 213-2276  
[emarkel@flagstaffaz.gov](mailto:emarkel@flagstaffaz.gov)

#### **8.3.2 CMAR's Representatives**

8.3.2.1 CMAR designates the individual listed below as its Senior Representative ("CMAR's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under this Agreement:

Jarrett Nelson, Project Manager  
City of Flagstaff  
211 West Aspen Avenue  
Flagstaff, AZ 86001  
Phone: (928) 213-2112  
[jarrett.nelson@flagstaffaz.gov](mailto:jarrett.nelson@flagstaffaz.gov)

8.3.2.2 CMAR designates the individual listed below as its CMAR's Representative ("CMAR's Representative"), which individual has the authority and responsibility set forth in this Agreement:

Harvey K. Heckethorn (Corkey), President  
P.O. Box 551  
Flagstaff, Arizona 86002  
Phone: 928-779-7685  
Email: [candepaving@aol.com](mailto:candepaving@aol.com)

## **Article 9 – Suspension and Termination**

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### **9.0 Owner's Right to Stop Work**

9.0.1 Owner may, at its discretion and without cause, order CMAR in writing to stop and suspend the Work. Such suspension shall not exceed one hundred and eighty (180) consecutive days.

9.0.2 CMAR may seek an adjustment of the Contract Price and/or Contract Time if its cost or time to perform the Work has been adversely impacted by any suspension or stoppage of Work by Owner.

## **9.1 Termination for Convenience**

9.1.1 The Owner may terminate this Agreement at any time for any reason by giving at least thirty (30) days written notice to the CMAR. In such event, Owner shall pay CMAR only the direct value of its completed Work and materials supplied as of the date of termination. CMAR shall be entitled to profit and overhead on completed Work only but shall not be entitled to anticipated profit or anticipated overhead.

9.1.2 If the Owner suspends the Work for one hundred eighty-one (181) consecutive days or more, such suspension shall be deemed a termination for convenience.

9.1.3 Upon such notice of termination for convenience, CMAR shall proceed with the following obligations:

9.1.3.1 Stop Work as specified in the notice.

9.1.3.2 Place no further subcontracts or orders.

9.1.3.3 Terminate all subcontracts to the extent they relate to the Work terminated. CMAR shall ensure that all subcontracts contain this same termination for convenience provision set forth in this Agreement.

9.1.3.4 At the Owner's sole discretion and if requested in writing by the Owner, assign to the Owner all rights, title and interest of CMAR under the subcontracts subject to termination.

9.1.3.5 Take any action that may be necessary for the protection and preservation of the property related to this Agreement that is in the possession of CMAR and in which the Owner has or may acquire an interest.

9.1.4 CMAR shall submit complete termination inventory schedules no later than one hundred twenty (120) days from the date of the notice of termination.

9.1.5 The Owner shall pay CMAR the following:

9.1.5.1 The direct value of its completed Work and materials supplied as of the date of termination.

9.1.5.2 The reasonable and direct, actual costs and expenses attributable to such termination. Reasonable costs and expenses shall not include, among other things, anticipated profit, anticipated overhead, or costs arising from CMAR's failure to perform as required under this Agreement.

9.1.5.3 CMAR shall be entitled to profit and overhead on completed Work only but shall not be entitled to anticipated profit or anticipated overhead. If it is determined that CMAR would have sustained a loss on the entire Work had they been completed, CMAR shall not be allowed profit and the Owner shall reduce the settlement to reflect the indicated rate of loss.

9.1.6 CMAR shall maintain all records and documents for three (3) years after final settlement. These records shall be maintained and subject to auditing as prescribed in this Agreement.

## **9.2 The Owner's Right to Perform and Terminate for Cause**

9.2.1 If the Owner provides CMAR with a written order to provide adequate maintenance of traffic, adequate cleanup, adequate dust control or to correct deficiencies or damage resulting from

abnormal weather conditions, and CMAR fails to comply in a time frame specified, the Owner may have work accomplished by other sources at CMAR's sole expense.

- 9.2.2 If CMAR persistently fails to (i) provide a sufficient number of skilled workers, (ii) supply the materials required by the Contract Documents, (iii) comply with applicable Legal Requirements, (iv) timely pay, without cause, Subconsultants and/or Subcontractors, (v) prosecute the Work with promptness and diligence to ensure that the Work is completed by the Contract Time, as such times may be adjusted, or (vi) perform material obligations under the Contract Documents, then Owner, in addition to any other rights and remedies provided in the Contract Documents or by law, shall have the rights set forth in this Agreement.
- 9.2.3 Upon the occurrence of a terminable event, Owner may provide written notice to CMAR that it intends to terminate this Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of CMAR's receipt of such notice.
- 9.2.3.1 If CMAR fails to cure, or reasonably commence to cure, such problem, then Owner may give a second written notice to CMAR of its intent to terminate within an additional seven (7) day period.
- 9.2.3.2 If CMAR, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then Owner may declare this Agreement terminated for default by providing written notice to CMAR of such declaration.
- 9.2.4 Upon declaring this Agreement terminated, Owner may enter upon the premises and take possession, for the purpose of completing the Work, of all materials, equipment, scaffolds, tools, appliances and other items thereon, which have been purchased or provided for the performance of the Work, all of which CMAR hereby transfers, assigns and conveys to Owner for such purpose, and to employ any person or persons to complete the Work and provide all of the required labor, services, materials, equipment and other items.
- 9.2.5 In the event of such termination, CMAR shall not be entitled to receive any further payments under the Contract Documents until the Work shall be finally completed in accordance with the Contract Documents. At such time, CMAR shall only be entitled to be paid for Work performed and accepted by the Owner prior to its default.
- 9.2.6 If Owner's cost and expense of completing the Work exceeds the unpaid balance of the Contract Price, then CMAR shall be obligated to pay the difference to Owner. Such costs and expenses shall include not only the cost of completing the Work, but also losses, damages, costs and expense, including attorneys' fees and expenses, incurred by Owner in connection with the procurement and defense of claims arising from CMAR's default.
- 9.2.7 If Owner improperly terminates the Agreement for cause, the termination for cause shall be converted to a termination for convenience in accordance with the provisions of this Agreement.

### **9.3 Maintenance During Winter Shutdown of Work; Snow Removal**

- 9.3.1 The Capital Improvements Division of the City of Flagstaff retains the right to declare a Winter Shutdown when, in the opinion of the Owner, it would be unreasonable to continue Work due to adverse weather conditions. The Winter Shutdown determination is at the sole discretion of the Owner. If Work has been suspended due to winter weather, the CMAR shall be responsible for maintenance and protection of the improvements and of partially completed portions of the Work until final acceptance of the project. Winter Shutdown shall be by field order, change order or original contract. If repairs and/or maintenance are needed during the Winter Shutdown, the CMAR is required to perform the repairs and/or maintenance within twenty-four (24) hours of notification from the Owner. If the needed repairs and/or maintenance are not addressed within the timeframe, the Owner will accomplish the repairs and/or maintenance and deduct the cost from monies due or become due to the CMAR.

- 9.3.2 The Owner shall provide snow removal operations on active traffic lanes only. All other snow removal and maintenance operations shall be the responsibility of the CMAR. All cost associated with snow removal and proper disposal shall be considered incidental to the work including repair of temporary surface improvements due to normal wear and snow removal operations.
- 9.3.3 Upon termination of the Winter Shutdown by the Owner, the CMAR shall have the right to complete the Work and the Project.
- 9.3.4 The CMAR shall be solely responsible for any and all costs incurred either as a direct or indirect result of a Winter Shutdown and shall hold the Owner harmless from the same.

**Article 10 - Insurance and Bonds**

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**10.0 Insurance Requirements**

- 10.0.1 CMAR and Subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the Work hereunder by CMAR, its agents, representatives, employees or Subcontractors.
- 10.0.2 The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.
- 10.0.3 The Owner in no way warrants that the minimum limits contained herein are sufficient to protect CMAR from liabilities that might arise out of the performance of the work under this Agreement by CMAR, its agents, representatives, employees, or subcontractors. CMAR is free to purchase such additional insurance as may be determined necessary.

**10.1 Minimum Scope and Limits of Insurance**

10.1.1 Commercial General Liability - Occurrence Form

General Aggregate/for this Project	\$2,000,000/\$1,000,000
Products – Completed Operations Aggregate	\$1,000,000
Each Occurrence	\$1,000,000

The policy shall be endorsed to include the following additional insured language: **"The City of Flagstaff shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of CMAR."**

**Additional Insured Status.** The insurance coverage, except Workers’ Compensation, required by this Agreement, shall name the CITY, its agents, representatives, directors, officials, employees, and officers, as additional insured AND be accompanied by the required endorsement. Such evidence of additional insured status shall be subject to the approval of the Risk Management Department of the City of Flagstaff. The absence of acceptable insurance and endorsement shall be deemed a breach of this Agreement.

10.1.2 Automobile Liability - Bodily injury and property damage for any owned, hired, and non-owned vehicles used in the performance of this Agreement.

Combined Single Limit (“CSL”)	\$1,000,000
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The policy shall be endorsed to include the following additional insured language: **"The City of Flagstaff shall be named as an additional insured with respect to liability arising out of the**



**activities performed by, or on behalf of CMAR, including automobiles owned, leased, hired or borrowed by CMAR."**

10.1.3 Worker's Compensation: The CMAR shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes.

10.1.4 Builders' Risk Insurance or Installation Floater \$ N/A

In an amount equal to the initial Contract Amount plus additional coverage equal to Contract Amount for all subsequent change orders.

10.1.4.1 The City of Flagstaff, CMAR, Subcontractors, Design Professional(s) and Design Professional(s)' consultant and any others with an insurable interest in the Work shall be Named Insureds on the policy.

10.1.4.2 Coverage shall be written on an all risk, replacement cost basis and shall include coverage for soft costs, flood and earth movement.

10.1.4.3 Coverage shall be maintained until whichever of the following shall first occur: (i) final payment has been made; or, (ii) until no person or entity, other than the City of Flagstaff, has an insurable interest in the property required to be covered.

10.1.4.4 Coverage shall be endorsed such that the insurance shall not be canceled or lapse because of any partial use or occupancy by the City.

10.1.4.5 CMAR shall provide coverage from the time any covered property becomes the responsibility of CMAR, and continue without interruption during construction, renovation, or installation, including any time during which the covered property is being transported to the construction installation Site, or awaiting installation, whether on or off Site.

10.1.4.6 Coverage shall contain a waiver of subrogation against the City of Flagstaff.

10.1.4.7 CMAR is responsible for the payment of all policy deductibles.

10.1.5 Umbrella/Excess Liability Insurance not less than \$2,000,000 per occurrence combined limit Bodily Injury and Property Damage, that "follows form" and applies in excess of the Commercial General Liability, Automobile Liability as required above.

**10.2 Additional Insurance Requirements**

10.2.1 The policies shall include, or be endorsed to include the following provisions:

10.2.2 The City, its officers, officials, agents, employees and volunteers shall be additional insured to the full limits of liability purchased by CMAR even if those limits of liability are in excess of those required by this Agreement.

10.2.3 CMAR's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

10.2.4 Coverage provided by CMAR shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

10.2.5 The policies shall contain a Waiver of Subrogation against the City, its officers, officials, agents, and employees for losses arising from work performed by the CMAR for the Owner.

### **10.3 Notice of Cancellation**

10.3.1 Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage or endorsed to lower limits except after thirty (30) days prior written notice has been given to the Owner. Such notice shall be sent directly to the Purchasing Section by certified mail, return receipt requested.

### **10.4 Acceptability of Insurers**

10.4.1 Insurance is to be placed with insurers who are duly licensed companies in the State of Arizona with an "A.M. Best" rating of A-7, or as approved by the City and licensed in the State of Arizona with policies and forms satisfactory to the Owner. The Owner in no way warrants that the above-required minimum insurer rating is sufficient to protect CMAR from potential insurer insolvency.

### **10.5 Verification Of Coverage**

10.5.1 CMAR shall furnish the Owner with Certificates of Insurance (ACORD form or equivalent approved by the Owner) as required by this Agreement. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

10.5.2 All Certificates of Insurance and endorsements are to be received and approved by the Owner before work commences. Each insurance policy required by this Agreement shall be in effect at or prior to commencement of Work under this Agreement and remain in effect for the duration of the Project. Failure to maintain the insurance policies as required by this Agreement or to provide evidence of renewal is a material breach of contract.

10.5.3 All Certificates of Insurance required by this Agreement shall be sent directly to City's Purchasing Section. The City project/contract number and project description shall be noted on the Certificate of Insurance. The Owner reserves the right to require complete, certified copies of all insurance policies required by this Agreement at any time.

10.5.4 If the Certificate of Insurance reflecting policy coverage and cancellation notice does not conform to the Owner's requirements, the CMAR must submit a current Certificate of Insurance (dated within fifteen (15) days of the payment request submittal) with each payment request form. The payment request shall be rejected if the Certificate of Insurance is not submitted with the payment request.

### **10.6 Subcontractors**

10.6.1 CMAR's Certificate(s) of Insurance shall include all Subcontractors as additional insureds under its policies. All coverages for Subcontractors shall be subject to the minimum requirements identified above.

### **10.7 Approval**

10.7.1 Any modification or variation from the insurance requirements in this Agreement shall be made by the Owner Attorney's Office, whose decision shall be final. Such action shall not require a formal contract amendment but may be made by administrative action.

### **10.8 Bonds and Other Performance Security**

10.8.1 Prior to execution of this Agreement, CMAR shall provide a performance bond and a labor and materials bond, each in an amount equal to the full amount of the GMP.

10.8.2 Each such bond shall be executed by a surety company, or companies, holding a Certificate of Authority to transact surety business in the State of Arizona, issued by the Director of the Arizona

Department of Insurance. A copy of the Certificate of Authority shall accompany the bonds. The Certificate shall have been issued or updated within two (2) years prior to the execution of this Agreement.

10.8.3 The bonds shall be made payable and acceptable to the City of Flagstaff.

10.8.4 The bonds shall be written or countersigned by an authorized representative of the surety who is either a resident of the State of Arizona or whose principal office is maintained in Arizona, as by law required, and the bonds shall have attached thereto a certified copy of Power of Attorney of the signing official.

10.8.4.1 If one Power of Attorney is submitted, it shall be for twice the total GMP amount.

10.8.4.2 If two Powers of Attorney are submitted, each shall be for the total GMP amount. Personal or individual bonds are not acceptable.

10.8.5 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract Documents, CMAR shall promptly furnish a copy of the bonds or shall permit a copy to be made.

10.8.6 All bonds submitted for this project shall be provided by a company which has been rated AM Best rating of "A-,7, or better for the prior four quarters" by the A.M. Best Company.

## **Article 11 - Indemnification**

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### **11.1 CMAR's Liability and Indemnification**

11.1.1 To the fullest extent permitted by law, CMAR shall defend, indemnify and hold harmless the Owner, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the negligent, reckless, or intentional acts, errors, mistakes, omissions, work or services of CMAR, its employees, agents, or any tier of subcontractors in the performance of this Agreement. CMAR's duty to defend, hold harmless and indemnify the Owner, its agents, representatives, officers, directors, officials and employees shall arise in connection with the claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Agreement including any employee of CMAR or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services CMAR may be legally liable.

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

## **Article 12 – General Provisions**

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### **12.1 Contract Documents**

12.1.1 This Agreement, Plans, Standard Specifications and Details, Special Provisions, Addenda (if any) dated the \_\_\_ day of \_\_\_\_\_, 20\_\_ and used as the basis for the Guaranteed Maximum Price Proposal and Guaranteed Maximum Price Proposal, as accepted by the Mayor and Council per Council Minutes the \_\_\_ day of \_\_\_\_\_, 20\_\_, Performance Bond, Payment Bond, Certificates of Insurance, Construction Documents and Change Orders (if any) are by this reference made a part of this Agreement to the same extent as if set forth herein in full.

12.1.2 The Contract Documents are intended to permit the parties to complete the Work and all obligations

required by the Contract Documents within the Contract Times for the Contract Price. The Contract Documents are intended to be complementary and interpreted in harmony so as to avoid conflict, with words and phrases interpreted in a manner consistent with construction and design industry standards.

12.1.3 In the event of any inconsistency, conflict, or ambiguity between or among the Contract Documents, the Contract Documents shall take precedence in the order in which they are listed in the definitions section of this Agreement.

12.1.3.1 On the drawings, given dimensions shall take precedence over scaled measurements, and large-scale drawings over small-scale drawings.

12.1.3.2 Specifications take precedence over Plans.

12.1.3.3 In the event of any inconsistency, conflict, or ambiguity between the Contract Documents and the Design Phase Agreement, the Contract Documents take precedence over the Design Phase Agreement

12.1.4 The headings used in this Agreement, or any other Contract Documents, are for ease of reference only and shall not in any way be construed to limit or alter the meaning of any provision.

12.1.5 The Contract Documents form the entire agreement between Owner and CMAR and by incorporation herein are as fully binding on the parties as if repeated herein. No oral representations or other agreements have been made by the parties except as specifically stated in the Contract Documents.

## **12.2 Amendments**

12.2.1 The Contract Documents may not be changed, altered, or amended in any way except in writing signed by a duly authorized representative of each party.

## **12.3 Time is of the Essence**

12.3.1 The Owner and CMAR mutually agree that time is of the essence with respect to the dates and times set forth in the Contract Documents.

## **12.4 Mutual Obligations**

12.4.1 Owner and CMAR commit at all times to cooperate fully with each other and proceed on the basis of trust and good faith, to permit each party to realize the benefits afforded under the Contract Documents.

## **12.5 Cooperation and Further Documentation**

12.5.1 CMAR agrees to provide the Owner such other duly executed documents as shall be reasonably requested by the Owner to implement the intent of the Contract Documents.

## **12.6 Assignment**

12.6.1 CMAR shall not, without the written consent of the Owner, assign, transfer or sublet any portion of this Agreement or part of the Work or the obligations required by the Contract Documents. Notwithstanding the Owner's consent to assignment, CMAR as Assignor, and the Assignee shall both remain liable under all rights, obligations, terms, and conditions of this Agreement.

## **12.7 Successorship**

12.7.1 CMAR and Owner intend that the provisions of the Contract Documents are binding upon the parties, their employees, agents, heirs, successors and assigns.

**12.8 Third Party Beneficiary**

12.8.1 Nothing under the Contract Documents shall be construed to give any rights or benefits in the Contract Documents to anyone other than the Owner and CMAR, and all duties and responsibilities undertaken pursuant to the Contract Documents shall be for the sole and exclusive benefit of Owner and CMAR and not for the benefit of any other party.

**12.9 Governing Law**

12.9.1 This Agreement and all Contract Documents shall be deemed to be made under, and shall be construed, in accordance with and governed by the laws of the State of Arizona without regard to the conflicts or choice of law provisions thereof. Any action to enforce any provision of this Agreement or to obtain any remedy with respect hereto shall be brought in the Superior Court, Coconino County, Arizona, and for this purpose, each party hereby expressly and irrevocably consents to the jurisdiction and venue of such Court.

**12.10 Severability**

12.10.1 If any provision of the Contract Documents or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of the Contract Documents and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

**12.11 Compliance with All Laws**

12.11.1 CMAR will comply with all applicable Federal, State, County and City laws, regulations and policies. CMAR understands and acknowledges the applicability of the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. CMAR agrees to comply with these laws in performing the Agreement and to permit the Owner to verify such compliance.

**12.12 Legal Requirements**

12.12.1 CMAR shall perform all Work in accordance with all Legal Requirements and shall provide all notices applicable to the Work as required by the Legal Requirements.

**12.13 Construction Documents**

12.13.1 It is not CMAR’s responsibility to ascertain that the Construction Documents are in accordance with applicable laws, statutes, ordinances, building codes, rules and regulations. However, if CMAR recognizes that portions of the Construction Documents are at variance therewith, CMAR shall promptly notify the Design Professional and Owner in writing, describing the apparent variance or deficiency.

**12.14 Independent Contractor**

12.14.1 CMAR is and shall be an independent contractor. Any provisions in the Contract Documents that may appear to give the Owner the right to direct CMAR as to the details of accomplishing the Work or to exercise a measure of control over the Work means that CMAR shall follow the wishes of the Owner as to the results of the Work only. These results shall comply with all applicable laws and ordinances.

## **12.15 The Owner's Right of Cancellation**

12.15.1 All parties hereto acknowledge that this Agreement is subject to cancellation by the Owner pursuant to the provisions of A.R.S. § 38-511.

## **12.16 Survival**

12.16.1 All warranties, representations and indemnifications by CMAR shall survive the completion or termination of this Agreement.

## **12.17 Covenant against Contingent Fees**

12.17.1 CMAR warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, and that no member of the Owner Council, or any employee of Owner has any interest, financially, or otherwise, in the firm. For breach or violation of this warrant, the Owner shall have the right to annul this Agreement without liability, or at its discretion to deduct from the Contract Price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

## **12.18 No Waiver**

12.18.1 The failure of either party to enforce any of the provisions of the Contract Documents or to require performance of the other party of any of the provisions hereof shall not be construed to be a waiver of such provisions, nor shall it affect the validity of the Contract Documents or any part thereof, or the right of either party to thereafter enforce each and every provision.

## **12.19 Notice**

12.19.1 Notices may be given to the other Party in writing, delivered in person, sent by facsimile transmission, emailed, deposited in the United States mail, postage prepaid, or deposited with any commercial air courier or express service at the addresses set forth below, or to such other address as the Parties may substitute by written notice, given in the manner prescribed in this paragraph. However, notices of termination, notices of default and any notice regarding warranties shall be sent via registered or certified mail, return receipt requested at the address set forth below **and** to legal counsel for the party to whom the notice is being given. Rejection, any refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice as of the date of such rejection, refusal or inability to deliver.

To CMAR:

Harvey K. Heckethorn (Corkey), President  
C and E Paving & Grading, L.L.C.  
P.O. Box 551  
Flagstaff, Arizona 86002  
Phone: 928-779-7685  
Email: [candepaving@aol.com](mailto:candepaving@aol.com)

To Owner:

City of Flagstaff  
211 West Aspen Avenue  
Flagstaff, AZ 86001  
Attn: Emily Markel, Purchasing Manager  
Phone: (928) 213-2276  
[emarkel@flagstaffaz.gov](mailto:emarkel@flagstaffaz.gov)

With a copy to:

City of Flagstaff  
211 West Aspen Avenue  
Flagstaff, AZ 86001  
Attn: Jarrett Nelson, Project Manager  
Phone: (928) 213-2112  
[jarrett.nelson@flagstaffaz.gov](mailto:jarrett.nelson@flagstaffaz.gov)

Design Professional(s):

Julie Leid  
Peak Engineering, Inc.  
110 North Agassiz  
Flagstaff, Arizona 86001  
[julie@peakegr.com](mailto:julie@peakegr.com)

**12.19.2** Notices Related to Payment, Securities-in-lieu, Bonds. Any notice, request, instruction or other document to be given under this Agreement by any party to any other party related to payment, securities-in-lieu, bonds or other instrument securing the performance of this Agreement, including but not limited to, bid bonds, performance bonds, payment bonds or letters of credit, shall be in writing and shall be delivered in person or by courier or facsimile transmission or mailed by certified mail, postage prepaid, return receipt requested and shall be deemed given upon (a) confirmation of receipt of a facsimile transmission, (b) confirmed delivery by hand or standard overnight mail or (c) upon the expiration of three (3) business days after the day mailed by certified mail. Rejection, any refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice as of the date of such rejection, refusal or inability to deliver.

To CMAR:

C and E Paving & Grading, L.L.C.  
P.O. Box 551  
Flagstaff, Arizona 86002  
Attn: Harvey K. Heckethorn (Corkey), President  
Phone: 928-779-7685  
Email: [candepaving@aol.com](mailto:candepaving@aol.com)

To Owner:

City of Flagstaff  
211 West Aspen Avenue  
Flagstaff, AZ 86001  
Attn: Emily Markel, Purchasing Manager  
Phone: (928) 213-2276  
[emarkel@flagstaffaz.gov](mailto:emarkel@flagstaffaz.gov)

With copies to:

City of Flagstaff

211 West Aspen Avenue  
Flagstaff, AZ 86001  
Attn: Jarrett Nelson, Project Manager  
Phone: (928) 213-2112  
[jarrett.nelson@flagstaffaz.gov](mailto:jarrett.nelson@flagstaffaz.gov)

## **12.20 Confidentiality of Plans and Specification**

12.20.1 Any plans or specifications regarding this Project shall be for official use only. CMAR shall not share them with others except as required to fulfill the obligations of this Agreement with the Owner.

12.20.2 All Record Documents, Shop Drawings and other plans or drawings prepared or submitted by CMAR shall include the following language: "These plans are for official use only and may not be shared with others except as required to fulfill the obligations of the Beulah/University Roadway Project Agreement with the City of Flagstaff."

12.21 CMAR and Subcontractor Employee Security Inquiries. The parties acknowledge that security measures required in this Section are necessary in order to preserve and protect the public health, safety and welfare. In addition to the specific measures set forth below, CMAR shall take such other measures, as it deems reasonable and necessary to further preserve and protect the public health, safety and welfare.

12.21.1 Security Inquiries. CMAR acknowledges that all of the employees that it provides pursuant to this Agreement shall be subject to background and security checks and screening ("Security Inquiries"). CMAR shall perform all such security inquiries and shall make the results available to Owner for all employees considered for performing work (including supervision and oversight) under this Agreement. Owner may make further security inquiries. Whether or not further security inquiries are made by Owner, Owner may, at its sole, absolute and unfettered discretion, accept or reject any or all of the employees proposed by CMAR for performing work under this Agreement. Employees rejected by Owner for performing services under this Agreement may still be engaged by CMAR for other work not involving the Owner. An employee rejected for work under this Agreement shall not be proposed to perform work under other Owner Agreements or engagements without Owner's prior approval.

12.21.2 Criteria for Evaluating Security Inquiries. Once formally adopted by Owner, criteria for excluding an individual from performing work under this Agreement shall be communicated by Owner to CMAR and used by CMAR as a factor in making its decision. Prior to such adoption, CMAR shall use its best judgment in making its decision using, among other criteria, applicable law, administrative regulations of federal, state and local agencies concerned with work performed under this Agreement, specific local concerns that deal with the specific work and work location(s) of the Project, and standards used by Owner in evaluating its own personnel.

12.21.3 Additional Owner Rights Regarding Security Inquiries. In addition to the foregoing, Owner reserves the right to: (1) have an employee/prospective employee of CMAR be required to provide fingerprints and execute such other documentation as may be necessary to obtain criminal justice information pursuant to A.R.S. § 41-1750(G)(4); (2) act on newly acquired information whether or not such information should have been previously discovered; (3) unilaterally change its standards and criteria relative to the acceptability of CMAR 's employees and/or prospective employees; and, (4) object, at any time and for any reason, to an employee of CMAR performing work (including supervision and oversight) under this Agreement.



- 12.21.4 Background and Security-Contracts and Subcontracts. CMAR shall include the security inquiry terms of this Section for employee background and security checks and screening in all contracts and subcontracts for work performed under this Agreement, including supervision and oversight.
- 12.21.5 Materiality of Security Inquiry Provisions. The security inquiry provisions of this Agreement, as set forth above, are material to Owner 's entry into this Agreement and any breach thereof by CMAR may, at Owner's sole and unfettered discretion, be considered to be a breach of contract of sufficient magnitude to terminate this Agreement. Such termination shall subject CMAR to liability for its breach of this Agreement.

**12.22 Hazardous Materials**

- 12.22.1 Unless included in the Work, if CMAR encounters material on the Site which it reasonably believes to contain asbestos, polychlorinated biphenyl (PCB), or other hazardous substances or materials regulated by applicable law, it shall immediately stop work and report the condition to the Owner.
- 12.22.2 If the material is found to contain asbestos, PCB or other hazardous substances or materials regulated by applicable law, CMAR shall not resume work in the affected area until the material has been abated or rendered harmless. CMAR and the Owner may agree, in writing, to continue work in non-affected areas on the Site.
- 12.22.3 An extension of Contract Time may be granted in accordance with this Agreement.
- 12.22.4 CMAR shall comply with all applicable laws/ordinances and regulations and take all appropriate health and safety precautions upon discovery.

**12.23 Computer Systems**

- 12.23.1 CMAR shall warrant fault-free performance in the processing of date and date-related data including, but not limited to calculating, comparing, and sequencing by all equipment and software products, individually and in combination, from the commencement of the Work. Fault-free performance shall include the manipulation of data when dates are in the 20<sup>th</sup> or 21<sup>st</sup> centuries and shall be transparent to the user. Failure to comply with "Year 2000" requirements shall be considered a breach of this Agreement.

**12.24 Traffic Control**

- 12.24.1 CMAR shall comply with all provisions of the latest version of the Manual on Uniform Traffic Control Devices and any other traffic control provisions as may be provided in the technical specifications.

**12.25 No Boycott of Israel**

- 12.25.1 Pursuant to A.R.S. §§ 35-393 and 35-393.01, if a Party has over ten (10) employees and the Agreement is worth at least one-hundred thousand dollars and no cents (\$100,000), the Party shall certify that it is not currently engaged in, and agrees, for the duration of the Agreement, will not engage in a boycott of Israel.

**12.26 Forced Labor of Ethnic Uyghurs**

- 12.26.1 If CMAR engages in for-profit activity and has ten (10) or more employees, pursuant to A.R.S. §35-394, CMAR certifies that it does not currently, and agrees for the duration of the contract that it will not, use: 1) the forced labor of ethnic Uyghurs in the People's Republic of China; 2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and 3) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If CMAR

becomes aware during the term of the Contract that the company is not in compliance with the written certification, CMAR shall notify the Owner within five business days after becoming aware of the noncompliance. If CMAR does not provide the Owner with a written certification that CMAR has remedied the noncompliance within 180 days after notifying the Owner of the noncompliance, this Contract terminates, except that if the Contract termination date occurs before the end of the remedy period the Contract terminations on the Contract termination date.

***(Signatures Appear on the Next Page)***

This Agreement shall be in full force and effect only when it has been approved and executed by the duly authorized City officials.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

C AND E PAVING & GRADING, L.L.C.

\_\_\_\_\_

Print name:\_\_\_\_\_

Title:\_\_\_\_\_

CITY OF FLAGSTAFF

\_\_\_\_\_

Print name:\_\_\_\_\_

Title:\_\_\_\_\_

Attest:

\_\_\_\_\_

City Clerk

Approved only as to form:

\_\_\_\_\_

City Attorney's Office

Notice to Proceed issued: \_\_\_\_\_, 20\_\_\_\_

Last updated February 28, 2024

## EXHIBIT A - PROJECT DESCRIPTION

Following is a brief description of the Project for which the design phase service services specified in this Agreement are to be performed:

The general project scope includes the following work:

The Street Maintenance Program provides surface treatments as required to preserve and maintain pavement condition on the 664 lane miles of City streets. The Project will include milling, street overlay, chip seal, micro seal, and crack sealing work to preserve and maintain existing asphalt street pavement. The contract work also includes removal and replacement of curb returns and sidewalks at many locations on the streets overlaid to bring these streets into compliance with the Americans with Disabilities Act (ADA). Traffic signal detection modifications may be required where the work disturbs existing detection equipment. Utility adjustments and pavement marking are also included in the work.

The overlay streets are selected after evaluation of the street condition using pavement management software owned by the Owner. One half of the City street pavements are evaluated and ranked each year. Each street pavement is assigned an overall condition index (OCI) based on the type and severity of the distress observed. A pavement that has no distress is given an OCI of 100. Each pavement distress such as cracking or roughness reduces the street's OCI. The street pavements are ranked by OCI and the pavements exhibiting the most severe distress are programmed for resurfacing with asphaltic concrete overlays as budget allows.

The goal of the Street Maintenance Program is to use the available funds in the most efficient manner to lengthen the service life of the City Street pavements and avoid costly pavement reconstruction.

It is anticipated that Contractors will have civil construction challenges typical to Flagstaff. The successful Contractor selected for this Project is expected to have significant demonstrated experience in both the type of work required and constructing street pavements in colder, high-altitude climates with a limited construction season.

**1. Cover Page & Scope of Work**

Contract No. 2024-65  
Project No. PW24-0001  
Title: Street Maintenance Program 2024, 2025 & 2026  
Title: "GMP #"  
Submittal date:

Provide a brief description of the work to be performed by CMAR in GMP # and the major points that CMAR and the Owner shall be aware of pertaining to the scope.

**2. Summary of GMP #**

Include a total cost for each of the cost components of GMP # requested under this Agreement. The CMAR shall present this information in the format shown on the attached table. All costs should be listed individually for future use. The General Conditions Costs shall include a detailed breakdown of itemized costs separate but similar to the Schedule of Values.

**3. Schedule of Values**

Provide a summary spreadsheet with the estimated cost organized by subagreement categories, contingencies, general conditions, taxes, bonds, insurances, and construction fee. Additionally, provide supporting documents for the spreadsheet in an organized manner that correlates with the schedule of values. The backup information shall consist of the most current version of the Cost Model utilized to develop GMP #.

**4. List of Plans and Specifications**

Provide a list of plans and specifications with latest issuance date including all addenda used in preparation of GMP #. This document must be date stamped and signed by CMAR.

**5. List of Clarifications and Assumptions**

Provide a list of the clarifications and assumptions made by CMAR in the preparation of GMP #. This information is intended to supplement the information contained within other documents submitted to the Owner.

**6. Project Master Schedule**

6.1 Provide a Critical Path Method (CPM) diagram and other information to identify the Project Master Schedule.

6.2 GMP Amendments will contain a separate project duration from the initial agreement and any previous GMP Amendments. Each GMP Amendment will be required to have a separate project completion date.

# *GMP SUMMARY*

# *2024*



# *STREET*

# *MAINTENANCE*

# *PROGRAM*

PROJECT NO:  
PW24-0001

GMP SUMMARY

PROJECT NAME:	City of Flagstaff Street Maintenance Program 2024
PROJECT NUMBER:	PW24-0001
LAST UPDATED:	5/12/2024
OWNER(S):	City of Flagstaff
BILLNG ADDRESS:	211 West Aspen Avenue
JOB SITE ADDRESS:	various locations -
OWNER PHONE:	(928) 779-7685



C and E  
PAVING & GRADING L.L.C.

GMP SUMMARY			
A	COST OF THE WORK (LABOR, MATERIALS, EQUIPMENT)		\$5,086,116.17
B	CM@RISK'S CONTINGENCY		\$0.00
INDIRECT COSTS		RATE	\$5,086,116.17
C	CONSTRUCTION FEE		4.8% \$306,052.91
D	GENERAL CONDITIONS		9.8% \$624,858.00
	D1	PAYMENT AND PERFORMANCE BOND	\$40,041.92 0.628%
	D2	INSURANCE	\$79,063.67 1.24%
E	SALES TAX (9.181)		.05631577 \$359,075.12
F. TOTAL GMP			\$6,376,102.20
G. OWNER'S CONTINGENCY			\$0.00
H. CONTRACT AMOUNT			\$6,376,102.20

CITY OF FLAGSTAFF  
GENERAL CONDITIONS ESTIMATE

PROJECT NAME:	City of Flagstaff Street Maintenance Program - 2024
PROJECT NUMBER:	PW24-0001
LAST UPDATED:	5/12/2024
OWNER(S):	City of Flagstaff
BILLNG ADDRESS:	211 West Aspen Avenue
JOB SITE ADDRESS:	various locations
OWNER PHONE:	(928) 779-7685



**C and E  
PAVING & GRADING L.L.C.**

PHASE #	CATEGORY DESCRIPTION	NOTES / SCOPE	BUDGET
<b>General Requirements</b>			
1	VEHICLE / FUEL ALLOWANCE		\$83,296.00
1	PROJECT MANAGER		\$111,182.62
1	SUPERINTENDENT		\$91,191.90
1	OFFICE PERSONNEL		\$15,518.83
1	OFFICE SUPPLIES AND EQUIPMENT		\$4,512.00
1	SITE MECHANIC & SERVICE TRUCK		\$52,744.90
1	TEMP SANITARY FACILITIES		\$2,552.00
1	ADDITIONAL PUBLIC NOTICES AND DELIVERY/ LIME / CONCRETE PLASTIC		\$6,784.00
	SURVEY		\$3,672.00
1	MOBILIZATION		\$54,254.00
1	WARRANTY RESERVE	1.25% OF PROJECT	\$79,838.74
1	GL INSURANCE	1.24% OF PROJECT	\$79,200.03
1	PERFORMANCE BOND	.0062827% OF PROJECT	\$40,110.98
<b>TOTAL</b>			<b>\$624,858.00</b>



**COST SCHEDULE  
OF VALUES**

2024 COF STREETS					
Schedule of Values					
NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	COST
1	MILL AND FILL LARGE THERMAL CRACKS	5031.3	LF	\$18.45	\$92,827.49
2	LOWER MANHOLE FRAME & COVER	70	EA	\$769.25	\$53,847.50
3	LOWER WATER VALVE BOX	85	EA	\$769.25	\$65,386.25
4	REMOVE AND REPLACE PAVEMENT (4" AC / 6" ABC [ C-3/4"]) PATCH	8236.7	SY	\$70.00	\$576,569.00
5	REMOVE AND REPLACE CONCRETE DRIVEWAY 8"PCC ( INCLUDING 6" ABC )	4,295.0	SF	\$36.00	\$154,620.00
6	REMOVE AND REPLACE CURB AND GUTTER (VERTICAL- INCLUDING. 3"ABC)	3,020.0	LF	\$53.30	\$160,966.00
7		2,975.0	LF	\$52.50	\$156,187.50
8	INFILL SIDEWALK LUCKY LANE ????	664	SF	\$18.00	\$11,952.00
9	REMOVE AND REPLACE SIDEWALK (INCLUDING. 3"ABC)	9,778.0	SF	\$16.85	\$164,759.30
10	REMOVE AND DISPOSE OVER SIZED CONCRETE MANHOLE COLLAR	3	EA	\$800.75	\$2,402.25
11	REMOVE AND DISPOSE OVER SIZED CONCRETE VALVE CAN COLLAR	8	EA	\$800.75	\$6,406.00
12	REMOVE RAMP & INSTALL DETECTABLE WARNING (RETROFIT DOMES) INCLUDING 3" ABC	48	EA	\$3,083.00	\$147,984.00
13	REMOVE RAMP & INSTALL DETECTABLE WARNING (PARALLEL RAMP AND DOMES) INCLUDING 3" ABC	9.0	EA	\$3,300.00	\$29,700.00
14	ASPEN AVE-COLORED CONCRETE ( TERRA COTTA CC875 OR SALTILLO CC705 )	900.0	SF	\$33.70	\$30,330.00
15	PAVEMENT MILLING ( FULL WIDTH )	64,940.5	SY	\$3.40	\$220,797.70
16	TACK COAT (SS-1H)	17	T	\$2,392.00	\$40,664.00
17	REMOVE AND REPLACE SCUPPER	2.0	EA	\$7,841.00	\$15,682.00
18	MODIFIED ASPHALTIC CONCRETE (1/2" MIX)	7,305.8	T	\$150.45	\$1,099,157.61
19	FULL STREET REBUILD ( 4"AC ( C-3/4" / 6" ABC } - ZUNI & LUCKY LANE	17211.1	SY	\$71.40	\$1,228,872.54
20	SUBGRADE STABILIZATION-OVER EX & 12" ABC ON BIAXIAL GEOGRID ( ALLOWANCE )	1	LS	\$100,000.00	\$100,000.00
21	TREE REMOVAL ( ARIS ST. & UNIV. HEIGHTS DR. NORTH )	2.0	EA	\$1,150.00	\$2,300.00
22	ADJUST MANHOLE FRAME & COVER ( CITY DTL. 9-03-062 )	70	EA	\$800.75	\$56,052.50
23	ADJUST WATER VALVE FRAME AND COVER TO FINISHED GRADE ( REMOVE,REPLACE WITH NEW HARDWARE TO NUT )	85	EA	\$1,252.25	\$106,441.25
24	ADJUST SEWER CLEANOUT, BLOWOFFS AND SURVEY HANDHOLES (CITY DTL. 9-03-062)	4	EA	\$780.00	\$3,120.00
25	MANHOLE RECONSTRUCT ( <b>Remove necessary Brick to Lower Existing Frame &amp; Cover to Sidewalk grade</b> )	1	EA	\$2,360.00	\$2,360.00
26	REMOVE AND REPLACE SURVEY MONUMENTS	12	EA	\$365.00	\$4,380.00
27	TRAFFIC CONTROL	1.0	LS	\$449,258.00	\$449,258.00
28	CONSTRUCTION SURVEY	1.0	LS	\$24,300.00	\$24,300.00
29	STRIPING AND MARKING	1.0	LS	\$78,793.28	\$78,793.28

TOTAL COST=	\$5,086,116.17
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BID NO.	BID ITEM	DESCRIPTION	FORECAST QUANTITIES	UNIT	UNIT COST	UNIT COST FORECAST	TOTAL COST FORECAST
1	MILL AND FILL LARGE THERMAL CRACKS	SUBCONTRACTOR	5,031.3	LF	\$0.00	\$0.00	
		MATERIALS			\$3.12	\$15,697.66	
		EQUIPMENT			\$11.55	\$58,111.52	
		LABOR			\$3.78	\$19,018.31	
				5031.3	LF	\$18.45	Total:
2	LOWER MANHOLE FRAME & COVER	SUBCONTRACTOR	70.0	EA	\$719.25	\$50,347.50	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$50.00	\$3,500.00	
				70.0	EA	\$769.25	Total:
3	LOWER WATER VALVE BOX	SUBCONTRACTOR	85.0	EA	\$719.25	\$61,136.25	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$50.00	\$4,250.00	
				85.0	EA	\$769.25	Total:
4	REMOVE AND REPLACE PAVEMENT (4" AC/6"ABC [C-3/4"]) PATCH	SUBCONTRACTOR	8236.7	SY		\$0.00	
		MATERIALS			\$45.08	\$371,310.44	
		EQUIPMENT			\$14.54	\$119,761.62	
		LABOR			\$10.38	\$85,496.95	
				8236.7	SY	\$70.00	Total:
5	REMOVE AND REPLACE CONCRETE DRIVEWAY 8"PCC (INCLUDING. 6"ABC)	SUBCONTRACTOR	4,295.0	SF	\$15.00	\$64,425.00	
		MATERIALS			\$1.15	\$4,939.25	
		EQUIPMENT			\$14.63	\$62,835.85	
		LABOR			\$5.22	\$22,419.90	
				4295.0	SF	\$36.00	Total:
6	REMOVE AND REPLACE CURB AND GUTTER (VERTICAL-INCLUDING. 3"ABC)	SUBCONTRACTOR	3,020.0	LF	\$29.00	\$87,580.00	
		MATERIALS			\$0.58	\$1,751.60	
		EQUIPMENT			\$17.92	\$54,118.40	
		LABOR			\$5.80	\$17,516.00	
				3020.0	LF	\$53.30	Total:

BID NO.	BID ITEM	DESCRIPTION	FORECAST QUANTITIES	UNIT	UNIT COST	UNIT COST FORECAST	TOTAL COST FORECAST
7	REMOVE AND REPLACE ROLL CURB ( INCLUDING. 3"ABC)	SUBCONTRACTOR	2,975.0	LF	\$28.00	\$83,300.00	
		MATERIALS			\$0.58	\$1,725.50	
		EQUIPMENT			\$17.92	\$53,312.00	
		LABOR			\$6.00	\$17,850.00	
				2,975.0	LF	\$52.50	Total:
8	INFILL SIDEWALK	SUBCONTRACTOR	664.00	SF	\$9.00	\$5,976.00	
		MATERIALS			\$0.65	\$431.60	
		EQUIPMENT			\$6.55	\$4,349.20	
		LABOR			\$1.80	\$1,195.20	
				664.00	SF	\$18.00	Total:
9	REMOVE AND REPLACE SIDEWALK (INCLUDING. 3"ABC)	SUBCONTRACTOR	9778.0	SF	\$9.00	\$88,002.00	
		MATERIALS			\$0.60	\$5,866.80	
		EQUIPMENT			\$5.49	\$53,681.22	
		LABOR			\$1.76	\$17,209.28	
				9778.0	SF	\$16.85	Total:
10	REMOVE AND REPLACE OVERSIZED CONCRETE MANHOLE COVER	SUBCONTRACTOR	3.00	EA	\$750.75	\$2,252.25	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$50.00	\$150.00	
				3.00	EA	\$800.75	Total:
11	REMOVE AND REPLACE OVERSIZED CONCRETE VALVE CAN COVER	SUBCONTRACTOR	8.00	EA	\$750.75	\$6,006.00	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$50.00	\$400.00	
				8.00	EA	\$800.75	Total:
12	REMOVE RAMP & INSTALL DETECTABLE WARNING (RETROFIT DOMES) INCLUDING 3" ABC	SUBCONTRACTOR	48.00	EA	\$1,850.00	\$88,800.00	
		MATERIALS			\$435.30	\$20,894.40	
		EQUIPMENT			\$598.10	\$28,708.80	
		LABOR			\$199.60	\$9,580.80	
				48.00	EA	\$3,083.00	Total:

BID NO.	BID ITEM	DESCRIPTION	FORECAST QUANTITIES	UNIT	UNIT COST	UNIT COST FORECAST	TOTAL COST FORECAST
13	REMOVE RAMP & INSTALL DETECTABLE WARNING (PARALLEL RAMP AND DOMES) INCLUDING 3" ABC	SUBCONTRACTOR	9	EA	\$2,050.00	\$18,450.00	
		MATERIALS			\$465.50	\$4,189.50	
		EQUIPMENT			\$570.50	\$5,134.50	
		LABOR			\$214.00	\$1,926.00	
				9	EA	\$3,300.00	Total:
14	ASPEN AVE-COLORED CONCRETE ( TERRA COTTA CC875 OR SALTILLO CC705 )	SUBCONTRACTOR	900	SF	\$18.00	\$16,200.00	
		MATERIALS			\$1.53	\$1,377.00	
		EQUIPMENT			\$10.65	\$9,585.00	
		LABOR			\$3.52	\$3,168.00	
				900	SF	\$33.70	Total:
15	PAVEMENT MILLING ( FULL WIDTH )	SUBCONTRACTOR	64,940.5	SY	\$0.00	\$0.00	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$2.80	\$181,833.40	
		LABOR			\$0.60	\$38,964.30	
				64,940.5	SY	\$3.40	Total:
16	TACK COAT CQS-1 ( 1 to 1 dilute )	SUBCONTRACTOR	17.00	T	\$2,012.00	\$34,204.00	
		MATERIALS			\$380.00	\$6,460.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$0.00	\$0.00	
				17.00	T	\$2,392.00	Total:
17	REMOVE AND REPLACE SCUPPER	SUBCONTRACTOR	2.0	EA	\$6,500.00	\$13,000.00	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$1,041.00	\$2,082.00	
		LABOR			\$300.00	\$600.00	
				2.00	EA	\$7,841.00	Total:
18	MODIFIED ASPHALTIC CONCRETE ( 1/2 INCH MIX )	SUBCONTRACTOR	7,305.80	T	\$0.00	\$0.00	
		MATERIALS			\$126.00	\$920,530.80	
		EQUIPMENT			\$20.10	\$146,846.58	
		LABOR			\$4.35	\$31,780.23	
				7,305.80	T	\$150.45	Total:

BID NO.	BID ITEM	DESCRIPTION	FORECAST QUANTITIES	UNIT	UNIT COST	UNIT COST FORECAST	TOTAL COST FORECAST
19	FULL STREET REBUILD ( 4"AC ( C-3/4" / 6" ABC ) -ZUNI & LUCKY LANE	SUBCONTRACTOR	17,211.10	SY	\$0.00	\$0.00	
		MATERIALS			\$36.65	\$630,786.82	
		EQUIPMENT			\$27.05	\$465,560.26	
		LABOR			\$7.70	\$132,525.47	
			17,211.10	SY	\$71.40	Total:	\$1,228,872.54
20	SUBGRADE STABILIZATION-OVER EX & 12" ABC ON BIAXIAL GEOGRID (ALLOWANCE)	SUBCONTRACTOR	1.00	EA	\$100,000.00	\$100,000.00	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$0.00	\$0.00	
			1.00	EA	\$100,000.00	Total:	\$100,000.00
21	TREE REMOVAL ( ARIS ST. & UNIVERSITY HEIGHTS DR. NORTH )	SUBCONTRACTOR	2.00	EA	\$1,150.00	\$2,300.00	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$0.00	\$0.00	
			2.00	EA	\$1,150.00	Total:	\$2,300.00
22	ADJUST MANHOLE FRAME AND COVER ( CITY DTL. 9-03-062 )	SUBCONTRACTOR	70.00	EA	\$750.75	\$52,552.50	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$50.00	\$3,500.00	
			70.00	EA	\$800.75	Total:	\$56,052.50
23	ADJUST WATER VALVE FRAME AND COVER TO FINISHED GRADE (REMOVE, REPLACE WITH NEW HARDWARE TO NUT)	SUBCONTRACTOR	85.0	EA	\$1,202.25	\$102,191.25	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$50.00	\$4,250.00	
			85.0	EA	\$1,252.25	Total:	\$106,441.25
24	ADJUST SEWER CLEANOUT, BLOWOFFS AND SURVEY HANDHOLES (CITY DTL. 9-03-062)	SUBCONTRACTOR	4.0	EA	\$730.00	\$2,920.00	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$50.00	\$200.00	
			4.0	EA	\$780.00	Total:	\$3,120.00

BID NO.	BID ITEM	DESCRIPTION	FORECAST QUANTITIES	UNIT	UNIT COST	UNIT COST FORECAST	TOTAL COST FORECAST
25	MANHOLE RECONSTRUCT <b>( Remove necessary BRICK to Lower Existing Frame &amp; Cover to Sidewalk Grade )</b>	SUBCONTRACTOR	1.00	EA	\$0.00	\$0.00	
		MATERIALS			\$500.00	\$500.00	
		EQUIPMENT			\$804.00	\$804.00	
		LABOR			\$1,056.00	\$1,056.00	
				1.00	EA	\$2,360.00	Total:
26	REMOVE AND REPLACE SURVEY MONUMENTS	SUBCONTRACTOR	12.00	EA	\$315.00	\$3,780.00	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$50.00	\$600.00	
				12.00	EA	\$365.00	Total:
27	TRAFFIC CONTROL	SUBCONTRACTOR	1	LS	\$350,148.00	\$350,148.00	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$99,110.00	\$99,110.00	
				1.00	LS	\$449,258.00	Total:
28	CONSTRUCTION SURVEY	SUBCONTRACTOR	1	LS	\$24,300.00	\$24,300.00	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$0.00	\$0.00	
					LS	\$24,300.00	Total:
29	STRIPING AND MARKING	SUBCONTRACTOR	1	LS	\$78,793.28	\$78,793.28	
		MATERIALS			\$0.00	\$0.00	
		EQUIPMENT			\$0.00	\$0.00	
		LABOR			\$0.00	\$0.00	
				1	LS	\$78,793.28	Total:
					\$0.00		
					\$0.00		
					\$0.00		
					\$0.00		
					Total:	\$0.00	

Total: \$5,086,116.17

LIST OF PLANS  
AND SPECIFICATIONS



<u>Drawing No.</u>	<u>Drawing Title</u>	<u>Release Date</u>
C1.0	Cover Sheet	MAY 2024
C1.1	Notes & Legend	MAY 2024
C1.2	Details	MAY 2024
C2.0	PAVING	MAY 2024
C2.1	PAVING	MAY 2024
C3.0	Edge Improvements	MAY 2024
C3.1	Edge Improvements	MAY 2024
C4.0	STRIPING PLAN	MAY 2024
C4.1	STRIPING PLAN	MAY 2024
C4.2	STRIPING PLAN	MAY 2024
C5.0	IMPROVEMENT SCHEDULE	MAY 2024

Maricopa Association of Governments Uniform Standard Specifications and Details for Public Works  
Construction General Provisions

City of Flagstaff Amendments to Maricopa Association of Governments  
General Provisions

Peak Engineering, Inc. Special Provisions

LIST  
OF  
CLARIFICATIONS  
AND  
ASSUMPTIONS

## Clarifications and Assumptions

### City of Flagstaff Street Maintenance Program – 2024

1. It is assumed that City of Flagstaff team members will assist the contractor in identifying and marking the stop and start areas for pavement milling and chip seal.
2. If cross-street approaches are to be overlaid, the Engineer shall outline the location and extent of work on cross-streets prior to beginning the work.
3. We realize that no potable water will be utilized on this project. We will need to obtain a permit (no fee) at the Wildcat Hill Waste Water Treatment Plant and will be responsible for complying with all permit requirements.
4. The May 2024 ADOT Index was used to construct the GMP Asphalt prices for this project. Adjustments may have to be made during construction with variances in the Index.
5. It is assumed that during the term of this contract; 2023 MAG and C.O.F. Specifications will govern.
6. The City of Flagstaff will furnish all necessary quality control testing for this project.
7. GMP was built using engineers estimated quantities for striping. No revisions to striping were discussed. Any future revisions will be negotiated.
8. No obliteration of existing striping is included in this GMP.
9. No Thermo will be used on Chip Seal Streets.
  - a) All four-inch Double Solid Yellow will be "Paint"
  - b) All 18-inch Preformed Stop Bars will be "Thermo"
  - c) All four-inch Broken White will be "Paint"
  - d) All four-inch Solid and four-inch Broken Yellow will be "Paint"
  - e) Solid White Edge Line will be "Paint"
  - f) Six-inch Solid White Bike Lane Line "Paint"
  - g) Painted Bike Assembly will be "Thermo"
  - h) Preformed Turn Arrows will be "Thermo"
  - i) Solid White Lane Lines will be "Paint"
  - j) Six-inch Dashed Bike Lane will be "Paint"
  - k) Piano Key Crosswalks will be "Thermo"
10. Monuments not found will not be surveyed or reset.
11. City of Flagstaff to provide monument assigned point number and NAVD88 elevation for found monuments.



C and E  
PAVING & GRADING  
L.L.C.



**PROJECT**

**MASTER**

**SCHEDULE**

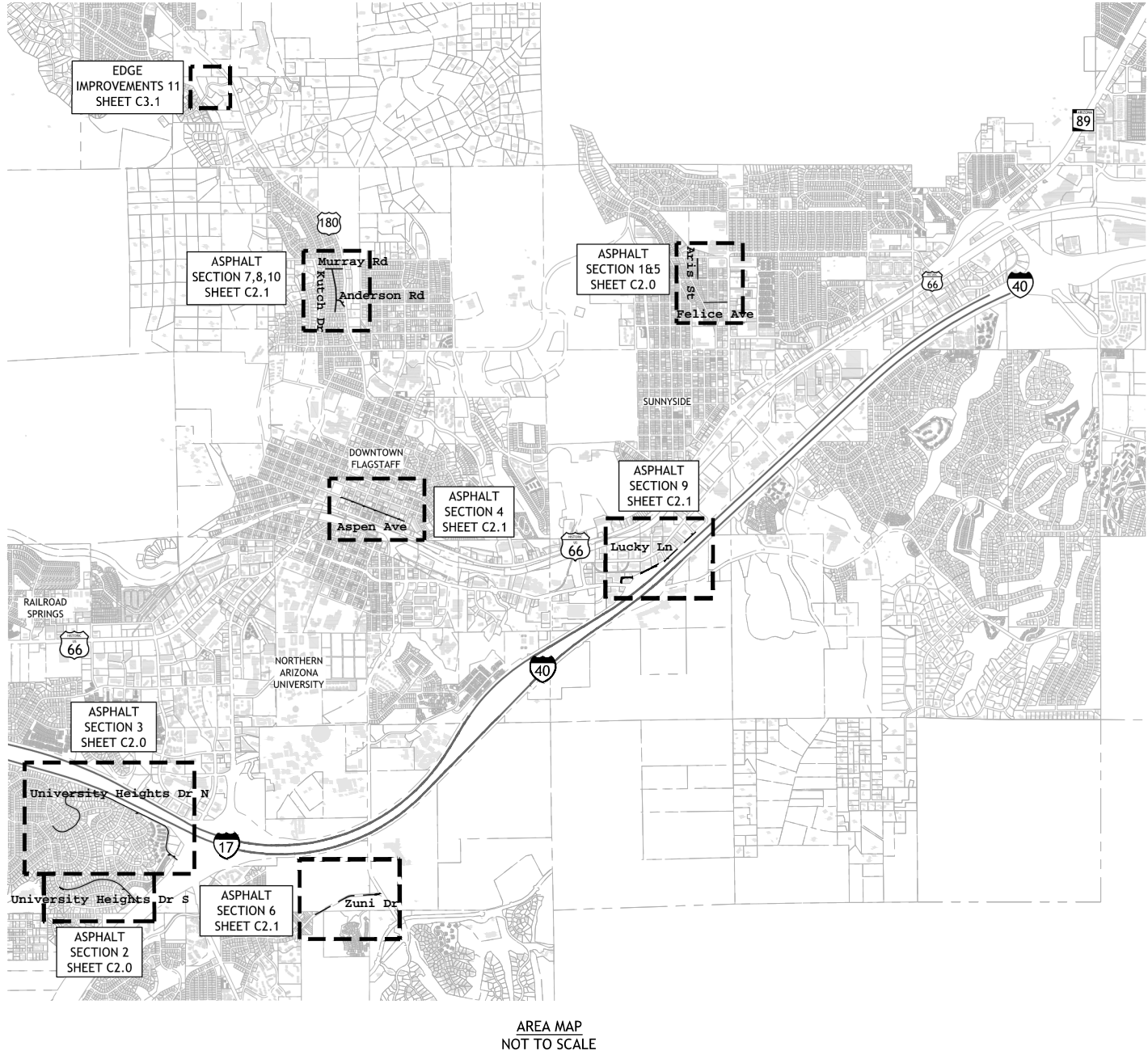
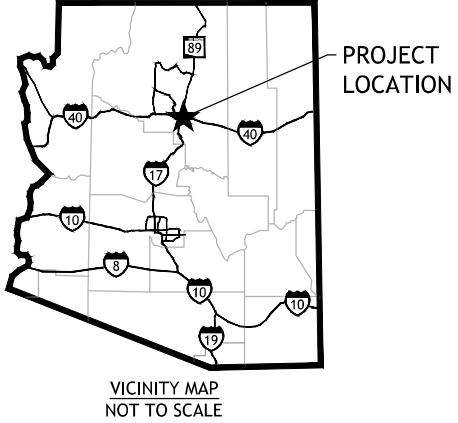


# CITY OF FLAGSTAFF 2024 STREET MAINTENANCE PROGRAM

COF PROJECT NUMBER PW24-0001

**CIVIL IMPROVEMENTS SHEET INDEX**

- C1.0 COVER
- C1.1 NOTES AND LEGEND
- C1.2 DETAILS
- C2.0-2.1 PAVING PLANS
- C3.0-3.1 EDGE IMPROVEMENTS
- C4.0-4.3 STRIPING PLAN
- C5.0 IMPROVEMENT SCHEDULE



**OWNER**

City of Flagstaff  
Public Works Dept.  
3200 W. Route 66  
Flagstaff, AZ 86001  
Contact: Jarret Nelson, P.M.  
Phone: 928-213-2112

**CIVIL ENGINEER**

Peak Engineering, Inc.  
201 E Birch Ave, Suite 3  
Flagstaff, AZ 86001  
Contact: Thomas E. Smith, P.E.  
Phone: (928) 774-4046

**CITY OF FLAGSTAFF APPROVALS**

City Engineer \_\_\_\_\_ DATE \_\_\_\_\_

City Public Works Director \_\_\_\_\_ DATE \_\_\_\_\_

Water Services Director \_\_\_\_\_ DATE \_\_\_\_\_

**UTILITY ACKNOWLEDGEMENTS**

LUMEN \_\_\_\_\_ DATE \_\_\_\_\_

UniSource Energy \_\_\_\_\_ DATE \_\_\_\_\_

APS \_\_\_\_\_ DATE \_\_\_\_\_

ALTICE \_\_\_\_\_ DATE \_\_\_\_\_



DATE	DESCRIPTION	REVISION

201 E. Birch Ave.  
Flagstaff, AZ 86001  
(928) 774-4046



CITY OF FLAGSTAFF  
2024 STREET MAINTENANCE PROGRAM  
COVER

COF PROJECT NO. PW24-0001

BY: CBW  
DATE: MAY 2024

CHECKED: TES

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council  
From: Justin Emerick, Project Manager, Water Services  
Co-Submitter: Mac McNamara  
Date: 05/28/2024  
Meeting Date: 06/04/2024



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**TITLE:**

**Consideration and Approval of Contract:** Cooperative Purchase Contract with Carollo Engineers, Inc. for Engineering Services on the Fort Tuthill Well Pump House #2 in an amount not to exceed \$499,988.00.

**STAFF RECOMMENDED ACTION:**

1. Approve the Cooperative Purchase Contract with Carollo Engineers, Inc. for Engineering Services on the Fort Tuthill Well Pump House #2 in an amount not to exceed \$499,988.00; and
2. Authorize the City Manager to execute the necessary documents.

**Executive Summary:**

The recommended Cooperative Purchase Contract with Carollo Engineers, Inc. (Carollo) will authorize Carollo to conduct Engineering Services at the Fort Tuthill Well #2 to develop and deliver a design for Pump House #2 Design Project. A pump house is generally described as a building that contains the pump that draws the water from the well and pumps the water into a City distribution system. To bring Fort Tuthill Well #2 online, a pump house is essential, and prior design identified that an expansion of Pump House #1 will allow the City to utilize both wells within the existing, but expanded, structure of Pump House #1.

Water production at the Pump House #2 is expected to nearly double with the addition of this secondary water source and the equipment upgrades that will be part of this project. This design of Pump House #2 will also resolve the production limitations of the existing pump house to maximize the production capacity. Design work will provide a solution for adding this new water source, increasing infrastructure to treat and disinfect a greater volume of water for distribution, and add significant capacity. This Cooperative Purchase Contract with Carollo will include the many design detail requirements to complete this pump house upgrade, wellhead structure, electrical and pipeline design.

The design is anticipated to be completed in the Summer of 2025.

**Financial Impact:**

Project Name: Fort Tuthill Well #2 Pump House Design Project  
Cost: \$499,988.00  
Account Number Budgeted: 202-08-370-3497-0-4464  
FY2024-25 Budgeted Amount: \$735,736  
Grant Funded: No  
Funding Source: Drinking Water Fund

**Policy Impact:**

No Policy Impact.

**Previous Council Decision or Community Discussion:**

No.

**Options and Alternatives to Recommended Action:**

1. Approve the Cooperative Purchase Contract as recommended. Approval will allow Carollo to initiate the design of the Project; or
2. Reject the award and provide additional direction to Staff. This option would delay the start of design.

**Background and History:**

The Purchasing Section has reviewed the competitively solicited cooperative purchase options available and confirmed that Arizona Department of Administration (ADOA) conducted a competitive and open procurement process through Request for Qualifications Solicitation BPM004132 that resulted in Contract CTR058871 with Carollo Engineers, Inc.. This underlying agency contract has been verified as valid and appropriate for the purchase of the specified services and presents the best value to the City.

**Connection to PBB Priorities and Objectives:**

Sustainable and Innovative Infrastructure

- Deliver outstanding services to residents through a healthy, well-maintained infrastructure system.

**Connection to Regional Plan:**

Goal WR.2. Manage a coordinated system of water, wastewater, and reclaimed water utility service facilities and resources at the City level and identify funding to pay for new resources.

Goal WR.4. Logically enhance and extend the City's public water, wastewater, and reclaimed water services including their treatment, distribution, and collection systems in both urbanized and newly developed areas of the City to provide an efficient delivery of services.

**Connection to Carbon Neutrality Plan:**

None.

**Connection to 10-Year Housing Plan:**

None.

**Connection to Division Specific Plan:**

Goal to continually expand and improve our water infrastructure to meet demand.

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**Attachments:**    [2024-167 Cooperative Purchase Carollo](#)  
                          [Exhibit A - Fort Tuthill Pump House Scope of Work](#)  
                          [Exhibit B1 - CTR058871 Carollo Agency Contract](#)  
                          [Exhibit B2 - CTR058871 Supporting Documents](#)



## COOPERATIVE PURCHASE CONTRACT

Contract No. 2024-167

This Cooperative Purchase Contract is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between the City of Flagstaff, Arizona, a political subdivision of the State of Arizona ("City") and Carollo Engineers, Inc., an Arizona Corporation ("Contractor").

### RECITALS:

- A. Contractor is a fully authorized vendor of On-Call Civil Engineering Services;
- B. The Arizona Department of Administration (ADOA) conducted a competitive and open procurement process through Request for Qualifications BPM004132 that resulted in Contract No. CTR058871 with Contractor ("Agency Contract"); and
- C. The City has authority to enter into a cooperative purchase contract with Contractor utilizing the Agency Contract.

### AGREEMENT:

NOW THEREFORE, in consideration for the mutual promises contained herein, the Parties agree as follows:

1. Materials and or Services Purchased: Contractor shall provide to the City the materials and/or services, as specified in the Scope of Work attached as Exhibit A, and in accordance with the Agency Contract. A general description of materials and/or services being purchased is:

#### **On-Call Civil Engineering Services Fort Tuthill Pump House #2**

2. Specific Requirements of City: Contractor shall comply with all specific purchase and delivery requirements and/or options of City, as specified in the Scope of Work attached as Exhibit A and incorporated by reference.
3. Payment: Payment to Contractor for the materials and/or services not to exceed **FOUR HUNDRED, NINETY-NINE THOUSAND, NINE HUNDRED AND EIGHTY-EIGHT DOLLARS AND ZERO CENTS (\$499,988.00)** made in accordance with the price list and terms set forth in the Agency Contract. Any price adjustment must be approved by mutual written consent of the parties through a formal amendment. The City Manager or his/her designee (the Purchasing Director) may approve an amendment if the amendment price increase is less than \$100,000; otherwise, City Council approval is required.
4. Certificates of Insurance: All insurance provisions of the Agency Contract shall apply. Prior to receiving a Notice to Proceed, Contractor shall furnish the City with a copy of the current Certificate of Insurance and corresponding endorsements naming the "City of Flagstaff" as an additional insured.
5. Term: This Cooperative Purchase Contract shall commence upon execution by the Parties and shall continue until expiration or termination of the underlying Agency Contract, unless sooner terminated by City in writing.

6. Renewal: This Cooperative Purchase Contract shall be automatically renewed if the underlying Agency Contract is renewed, for the same renewal period, unless City provides advance written notice to Contractor of its intention to non-renew.
7. Notice: Any formal notice required under the Contract shall be in writing and sent by certified mail and email as follows:

To the City:

Justin Emerick  
Project Manager  
City of Flagstaff  
211 W. Aspen Ave.  
Flagstaff, AZ 86001  
[JEmerick@flagstaffaz.gov](mailto:JEmerick@flagstaffaz.gov)  
928-607-2541

To Contractor:

Brian Bernard, P.E\*, MBA  
Project Manager/Associate Vice President  
Carollo Engineers  
4600 East Washington Street, Suite 500  
Phoenix, Arizona 85034  
[bbernard@carollo.com](mailto:bbernard@carollo.com)  
D 602-474-4268 / M 602-390-4674

With a copy to:

Emily Markel  
Purchasing Manager  
City of Flagstaff  
211 W. Aspen Ave.  
Flagstaff, AZ 86001  
[EMarkel@flagstaffaz.gov](mailto:EMarkel@flagstaffaz.gov)  
928-213-2276

(Signature lines on following page)

9. Authority: Each Party warrants that it has authority to enter into the Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into the Contract.

CAROLLO ENGINEERS:

By: \_\_\_\_\_

Title: \_\_\_\_\_

CITY OF FLAGSTAFF

By: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney's Office

Notice to Proceed issued: \_\_\_\_\_, 20\_\_

Last Updated May 15, 2024

**EXHIBIT A**  
**SCOPE OF WORK**  
(attached)

- 1. Fort Tuthill Pump House Scope of Work (17 pages)**

**EXHIBIT B**  
**AGENCY CONTRACT**  
(attached)

1. ADOA Contract No. #CTR058871 (100 pages)
2. ADOA Contract No. #CTR058871 Supporting Documents (10 pages)

**EXHIBIT A**  
**CITY OF FLAGSTAFF WATER SERVICES DEPARTMENT**  
**FORT TUTHILL PUMP HOUSE #2**  
**PRELIMINARY AND DETAILED DESIGN AND BID PHASE SERVICES**  
**CITY PROJECT NO. XX-XXXXX**  
**DRAFT SCOPE OF SERVICES**  
**APRIL 2024**

The following Scope of Services describes the professional services to be performed by Carollo Engineers, Inc. (hereinafter referred to as the “DESIGN CONSULTANT”) associated with the City of Flagstaff Fort Tuthill Pump House #2 (FTPH#2) Preliminary and Detailed Design and Bid Phase Services Project (hereinafter referred to as the “Project”), as approved and executed by the City of Flagstaff (hereinafter referred to as the “CITY”).

This Scope of Services is specific to the Preliminary and Detailed Design Services associated with the Project.

**PURPOSE**

The purpose of this **EXHIBIT A** is to define the Project Understanding, Project Assumptions, Scope of Services, Time of Performance, and Payment terms for the Project.

**PROJECT UNDERSTANDING**

In the 2014 Water Master Plan the CITY Water Services Department (WSD) identified a need for 2,500 acre-feet/year (A-F/Y) or about 1,500 +/- gallons per minute (gpm) of water supply to meet future demands. A Well and Pump House Program was developed and funded for the siting, drilling, and putting into service approximately 5 water production wells with adjacent Pump Houses (booster pump stations) based on an average well production of 300 gpm. The City developed a design concept for each Pump House based on number of pumps, on-site storage, type of disinfection, sand separation, electrical and instrumentation, and redundancy.

As part of the Well Program the CITY drilled the Fort Tuthill Well #2 (FTW#2) within the Coconino County Fort Tuthill Recreation Area (FTRA) as the second well in the program (McCallister Well and Pump House was the first). The existing FTW#1 is located within the FTRA and has been in service for over 10 years. The FTW#1 Pump House was designed to be able to accommodate a potential second well in the future. In the summer of 2022, the CITY hired Carollo to develop a collaborative Pros/Cons evaluation with CITY staff to compare designing a stand-alone Pump House adjacent to FTW#2 or to combine the FTW#1 and FTW#2 Pump Houses at the existing FTPH#1 location. The result of the comparison scoring favored the combined Pump House option, but the estimated cost was problematic. The CITY hired Carollo to take the combined Pump House option to a 15% conceptual design so that a more accurate cost estimate could be developed and re-compared to the stand-alone Pump House option.

At the completion of the 15% conceptual design the re-comparison of the two options still favored the combined option, but the cost to construct either option was similar. The CITY decided to proceed with the combined Pump House option at the existing FTPH#1 site.

This Project will be the Preliminary Design (from 15% to 30%) and Detailed Design (60%, 90%, and 100%) Services effort for a combined Pump House.

## **PROJECT ASSUMPTIONS**

1. This project is for the Preliminary and Detailed Design Services associated with a combined Pump House at the existing FTPH#1 site, well equipping and site features at the FTW#2 site and interconnecting raw water pipeline and communications between the two sites. The design also includes necessary appurtenances for a complete and functional operating facility.
2. Per the concepts defined in the 2023 FTPH#2 Design Concept Report (DCR), the following “boundary conditions” are carried forward:
  - The FTPH#2 design will be based on the 15% design concept presented in the DCR and will not include evaluation or assessment of other design concepts.
  - The combined Pump House concept includes an at-grade welded steel water storage tank that will not exceed 30,000 gallons in size. The welded steel water storage tank will be designed and constructed by third-party Vendors and will go through a deferred submittal process.
  - A new gaseous chlorine disinfection system will be planned for the combined FTPH#2 location.
  - A new sand separator will be included and located in the FTPH#2.
  - Well pump equipping for Well #2 will be designed based on Well #2 Completion Reports supplied by the WSD.
  - The design will include a buried fiber optic line for communication between Well #2 and the FTPH#2. The combined FTPH#2 will communicate offsite using the existing radio system.
  - Evaluation of raw water treatment, conditioning, storage, or pumping processes are not included in the Scope of Services.
  - Modeling of the existing sewer or potable water systems are not included in the Scope of Services.
3. All easements and right-of-way permissions or acquisitions will be conducted by the WSD staff.
4. The CITY will supply a recent topographical survey and a geotechnical report.
5. The FTPH#2 Project will not increase the current rated capacity of either FTW#1 or FTW#2.
6. Project is anticipated to be procured using the Design-Bid-Build (DBB) project delivery method.
7. Detailed Design and Bid Phase Services are targeted to be completed in June 2025, based on an anticipated 12-month design schedule, and May 2024 Notice-to-Proceed (NTP) date.
8. Subsequent Bid Services, Construction Administration and Inspection, Testing Phase Services, Start-up and Commissioning, and Post-Construction (i.e., Warranty) Services, which may include office-related engineering services during construction (ESDC) as well as field-related construction administration and inspection (CA&I) efforts, are not a part of this

Scope of Services and may be handled under a separate Task Order(s), if desired by the CITY.

9. Applicable codes and standards will apply only to new buildings, structures, and associated facilities, as well as expansions and major modifications to existing buildings and structures. Existing buildings, structures, and facilities will not be subject to revised codes or standards compliance. Detailed design will be based on the applicable codes and standards as adopted by the CITY at the time of the 30% Preliminary Design Review Submittal.
10. Potholing of existing underground facilities and utilities required for design and/or construction will be performed by a subconsultant to the CITY.
11. *Project Deliverables.* DESIGN CONSULTANT will produce and submit draft and final reports/memoranda in electronic format for review by the CITY throughout the Project, as identified herein. Electronic copies of the various deliverables will be provided in PDF format and in native file format (i.e., MS Word, MS Excel, etc.). CITY will agree to review draft Project deliverables and provide comments to DESIGN CONSULTANT in a timely manner (i.e., two (2) weeks for conceptual design deliverables). To the greatest extent possible, review of draft deliverables in a collaborative workshop setting to obtain comments from CITY will be followed to reduce overall review time and streamline project schedule.
12. *City Responsibilities.* CITY will perform / complete the responsibilities as identified in **EXHIBIT A-1 – CITY RESPONSIBILITIES**. These items will be provided in a timely manner as required to meet and maintain the Project schedule.
13. *Opinion of Probable Construction Cost.* Since the DESIGN CONSULTANT has no control over the cost of labor, materials, or equipment, over the Contractor's method for determining prices, or over competitive bidding or market conditions, any opinions of probable project cost provided as part of this scope are to be made based on DESIGN CONSULTANT's experience and qualifications. These opinions represent DESIGN CONSULTANT best judgment as an experienced and qualified professional engineer. However, the DESIGN CONSULTANT cannot and does not guarantee that actual project cost will not vary from opinions of cost prepared by DESIGN CONSULTANT.
14. *Third Parties.* The services to be performed by the DESIGN CONSULTANT are intended solely for the benefit of the CITY. No person or entity not a signatory to the Contract will be entitled to rely on the DESIGN CONSULTANT's performance of its services hereunder, and no right to assert a claim against the DESIGN CONSULTANT by assignment of indemnity rights or otherwise will accrue to a third party as a result of the Contract or the performance of the DESIGN CONSULTANT's services hereunder.
15. *Standard of Care:* DESIGN CONSULTANT will be responsible to the level of competency and standard of care presently maintained by other practicing Professional Engineers performing the same or similar type work at the time NTP is issued. DESIGN CONSULTANT and 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.

## **GENERAL SCOPE OF PROJECT**



The combined FTPH#2 project design and permitting will include the following major components and elements:

- New FTW#2 precast Electrical Enclosure and other associated electrical, instrumentation, and control (EI&C) appurtenances, to support the capacity of the new FTW#2, as applicable.
- New FTPH#2 booster pump (located adjacent to the existing booster pump) to transfer raw water to the CITY distribution system.
- New on-site raw water storage within an at-grade welded steel tank, the initial design concept is for the new tank to be the same size/dimensions as the existing FTPH#1 water storage tank.
- New gaseous chlorine disinfection system.
- New sand separation system.
- Miscellaneous modifications and additions to site/civil elements, including but not necessarily limited to paving and grading, yard piping, site utilities, and drainage system, as applicable for fully functioning Pump House and Well site facilities.
- Miscellaneous EI&C elements as applicable for fully functioning Pump House and Well site facilities.

### **SCOPE OF SERVICES**

The Scope of Services for the FTPH#2 design is based on the following major Work Breakdown Structure (WBS) elements:

- Task 1 – Project Management
- Task 2 – Preliminary Design
- Task 3 – Detailed Design
- Task 4 – Quality Management
- Task 5 – Permitting Assistance
- Task 7 – Allowances

Specific efforts to be completed for the tasks (and sub-tasks) and the associated deliverables are defined further herein.

### **TASK 1 – PROJECT MANAGEMENT**

DESIGN CONSULTANT will perform general project and quality management activities throughout the 12-month project design as delineated in the following sub-tasks.

## 1.1 – Project Control and Reporting

Develop monthly progress reports and invoices and submit to the CITY Project Manager that identifies the following:

- Work completed since the previous report.
- Work anticipated in the upcoming month.
- Project status, including scheduled and actual percent complete for the major tasks.
- Budget status, including contracted amount, total spent to date, amount remaining, percent spent and actual percent complete.
- List of potential scope changes, including a brief description and reason for change, along with potential impact on budget and schedule.
- List of issues needing resolution, including party(s) involved and date required so as not to impact project schedule.
- Develop a baseline project design schedule (12 months). The initial project schedule will be developed in MS Project format. Each activity of the scope of services herein, including the various deliverables, meetings, and workshops, will be incorporated into the work breakdown structure (WBS) of the schedule. Project schedule will be updated as needed throughout the Design.
- Prepare and coordinate Subconsultant agreement(s) required for the Project and manage and coordinate the work of its Subconsultant(s) throughout the duration of the Project.

In addition to monthly status updates, DESIGN CONSULTANT will develop and maintain Project logs documenting key decisions and action items throughout the Project duration.

***DELIVERABLES (PDF only): Monthly Progress Reports & Invoices; Decision Log; Action Log***

## 1.2 – Project Meetings

Facilitate virtual meetings as described below. Prepare and distribute agendas and minutes for each meeting. Final agendas will be submitted to the CITY at least one (1) day prior to the meeting. Minutes will be submitted to the CITY no more than seven (7) working days following each meeting and will summarize decisions and action items.

### *1.2.1 – Design Phase Kickoff Meeting*

Conduct a virtual Project kickoff meeting approximately two (2) weeks following receipt of written NTP from the CITY. Meeting objectives will be to review the previous FTPH#2 study and DCR, confirm lines of communication; coordinate the schedule of monthly Project meetings anticipated throughout the duration of the Project.

***DELIVERABLES (PDF only): Meeting Agenda & Notes***

### *1.2.2 – Project Update Meetings*

Conduct four virtual project update meetings (every three months) to keep the CITY and key Project stakeholders informed of the Project progress and obtain input and direction as required. Assume one (1) virtual meeting will include coordination with Fort Tuthill Recreation Area and Coconino County staff regarding existing facilities.

***DELIVERABLES (PDF only): Meeting Agendas & Notes***

### 1.2.3 – Submittal Review Workshops

Conduct the following submittal review workshops following the various interim milestone review submittals. CITY will participate in the workshops and provide review comments at that time. Following each review workshop, DESIGN CONSULTANT will compile all comments into a “Comments/Response Log” for review by the CITY.

- 30 Percent Submittal Review Workshop – Conduct a two-hour virtual submittal review workshop approximately two (2) weeks following the 30 percent design submittal to CITY.
- 60 Percent Submittal Review Workshop – Conduct a two-hour virtual submittal review workshop approximately two (2) weeks following the 60 percent design submittal to CITY. The second half of the workshop is anticipated to focus specifically on EI&C/Process Controls coordination.
- 90 Percent Submittal Review Workshop – Conduct a two-hour virtual submittal review workshop approximately two (2) weeks following the 90 percent design submittal to CITY. The second half of the workshop is anticipated to focus specifically on EI&C/Process Controls coordination.

**DELIVERABLES (PDF only): Comments & Response Logs**

## TASK 2 – PRELIMINARY DESIGN

*PURPOSE: The overall focus of the Preliminary Design Phase is to develop design concepts, facilitate decisions by consensus with the CITY, and develop the applicable equipment and discipline design criteria and site development requirements for subsequent detailed design phase services. Preliminary Design will be developed to an approximate 30% level of completeness.*

DESIGN CONSULTANT will develop the necessary facilities, utilities, and on-site infrastructure to accommodate the necessary improvements at the FTPH#2 and WS#2 sites. Provisions will include preliminary sizing, layouts, connections, corridors, and other general requirements, and will be incorporated into design criteria, technical memoranda, preliminary layouts, and other preliminary design elements as appropriate and as defined herein, and document in a Basis of Design Report (BDR).

The following tasks describe the specific efforts associated with the Preliminary Design Phase of the project.

NOTE: All draft technical memoranda (TMs) developed as part of Task 2 as identified herein will be finalized as part of the Basis of Design Report (included as appendices to BDR).

### 2.1 – Facilities and Utilities Assessment

Review the existing support facilities and utilities and identify applicable needs and updates. Evaluate requirements, including space needs assessments and occupancy classifications, and identify additional facilities and/or facility expansions that may be required. Evaluate chemical storage, feed facilities requirements, and identify additional facilities that may be required. Evaluate existing site, utilities, and associated support systems and identify additional system components and/or system expansions or upgrades that may be required, including:

- Site paving and grading
- Site yard piping

- Site drainage system
- Potable water
- Fiber optic and communication utilities

Develop draft technical memorandum summarizing the support facilities and utilities assessment. Submit draft technical memorandum for CITY review and comment.

***DELIVERABLES (PDF only): TM-1 – Facilities and Utilities Assessment***

## **2.2 – Electrical System Strategies**

A preliminary load calculation will be performed on the existing Service Entrance Sections. If adequate capacity is confirmed available, the FTPH#2 and WS#2 will be fed power from the existing SES's.

The capacity of the existing standby generator for the FTPH#1 site will be assumed adequate for standby power for the combined facilities.

In addition, load calculations will be developed to determine the size of a standby diesel (or gas) generator for WS#2. A preliminary single line diagram will be developed for the equipment identified and a list of preferred manufacturers will be developed based on the CITY's preferences.

The proposed equipment will be preliminarily sized, and a layout for the new electrical enclosure will be developed. Hazardous areas and main ductbank routings identified.

***DELIVERABLES (PDF only): TM-2 – Electrical System Strategies***

- **Preliminary load calculation for the existing Service Entrance Sections**
- **Preliminary single line diagram for the new equipment**
- **Preliminary electrical building plan layout for the new equipment**
- **Preliminary electrical site plan layout for the new equipment**
- **List of preferred manufacturers**

## **2.3 – Instrumentation & Controls and SCADA System Strategies**

Identify the instruments needed for the FTPH#2 Project such as:

- Level switches and transmitters
- Flow transmitters
- Temperature transmitters
- Pressure switches, gauges, and transmitters
- Analyzers and gas detectors

A list of preferred manufacturers will be developed based on the CITY's preferences. Other I&C and SCADA-related components required for the project will be identified, including PLC(s), communication switches, Ethernet switches, and fiber optic patch panels.

The method of communication between the instruments and electronic equipment (i.e., VFDs) with the PLC will be identified including hardwire inputs/outputs or communication protocols such as Ethernet. The point of connection of the new PLC system to the existing PLC system will be identified.

***DELIVERABLES (PDF only): TM-3 – I&C and SCADA Strategies***

- **Preliminary Network Diagram for the new PLC system**

- **Preliminary PLC cabinet location in the new electrical building**
- **List of preferred instrumentation manufacturers**

## **2.4 – Drainage Report**

A site Drainage Report will be required for permitting efforts. The DESIGN CONSULTANT will prepare a Drainage Report, including preliminary Grading and Drainage Plan in the area(s) of FTPH#2, to document the site drainage conditions, for review and approval by the City of Flagstaff Building Department as part of the associated permit application.

A draft Drainage Report will be submitted in conjunction with the 60 Percent Design Review submittal package. The final Drainage Report will be submitted to the CITY along with the Agency Review submittal.

***DELIVERABLES (PDF only): Draft and Final Drainage Report***

## **2.5 – Preliminary (30%) Design Review Submittal Package**

The Preliminary (30%) Design review submittal is intended to expand the 15% design concepts and strategies and present in 2D format, to initiate the necessary administrative and regulatory permitting process. This submittal will be used to perform initial review and coordination with the internal CITY Departments and stakeholders.

The 30% design review submittal will consist of all project elements and not be separated for potential multiple bid packages. The 30% design review submittal will consist of the elements defined in Task 3 – Detailed Design, with a reduced level of detail as appropriate. The 30% design review submittal will consist of the following:

- General Drawings
- Civil Drawings
- Structural Drawings
- Mechanical Drawings
- Electrical Drawings
- Instrumentation and Controls Drawings
- Technical Specifications – Develop a list [outline] of technical specifications expected for the Project. List of specifications will be arranged in tabular format by CSI Division utilizing the CSI MasterFormat (17-Division) structure.
- Typical Details – Develop a list [outline] of typical details expected for the Project. List of typical details will be arranged in tabular format by discipline.
- Equipment & Instrumentation List Tag Numbering – Summarize the CITY list of approved major equipment and instrumentation, in accordance with proposed tag numbering scheme.

***DELIVERABLES (PDF only): Drawings, Technical Specifications (list only), Typical Details (list only), and Equipment and Instrumentation List***

## **2.6 – Basis of Design Report (BDR)**

The purpose of the BDR is to document key design decisions to transition into detailed design accordingly and will be the basis for the preparation of subsequent detailed design plans and specifications.

The BDR will summarize and document the equipment, schematics, layouts, and criteria developed and evaluated in previous tasks for CITY review and approval, which will include the following elements:

- Executive summary that identifies the operational characteristics, performance targets, and other design criteria.
- Process flow diagram for the recommended combined Pump House concept.
- Overall site layout depicting the FTPH#2 and WS#2 concepts and supporting facilities.
- All layouts, schematics, and diagrams will be in 11-inch by 17-inch format suitable for inclusion into a bound report.
- Compilation of the anticipated preliminary design criteria for the recommended well pumping, booster pumping, and supporting facilities, compiled from the preliminary criteria developed under previous tasks. Criteria will be in tabular format suitable for inclusion into a bound report.
- Incorporation of CITY comments on draft TMs prepared under previous tasks, to finalize accordingly, and include as appendices to BDR document.

Develop draft BDR, with updated technical memoranda. Submit draft BDR for CITY review and comment, and then finalize accordingly.

***DELIVERABLES (PDF only): Draft and Final BDR***

### **TASK 3 – DETAILED DESIGN**

DESIGN CONSULTANT will develop construction documents through a progressive detailed design effort that consists of the following efforts and tasks.

#### **Detailed Design Efforts**

DESIGN CONSULTANT will prepare detailed construction contract documents for the project that will be used by the bidders to; bid and construct the project, develop a project schedule, equipment, and subcontractor procurement; as well as by the regulatory agencies to issues applicable permits for the construction and operation of the Project.

The Detailed Design will consist of a multi-discipline design effort described by the following elements:

- General / Civil / Site Work – The general / civil design will include hydraulic analysis, development of Pump House site layout and survey control in the area, site drainage, paving and grading, and location of yard piping. Where necessary to define vertical alignment, yard piping profiles will be included for gravity pipelines and pressure pipes greater than 12 inches in diameter.
- Landscaping – No landscaping design (plantings or irrigation system) is anticipated.
- Architectural – The architectural design will include the development of basic building layouts, conformance to the existing overall site theme and site security requirements, and selection of building materials. A building code occupancy plan will also be developed. Building designs will include the FTPH#2 and WS#2 Electrical Enclosure.
- Structural – The structural design will include the development of structural design criteria, selection of structural construction materials, design of foundations and foundation treatment, and design of the structural members for the various required facilities.

- Process / Mechanical – The process design will include development of the detailed control and operation schemes for the Pump House operation. The mechanical design will include determination of equipment performance and characteristics required, selection of mechanical equipment, location, and arrangement of the equipment (with tag numbers) and associated piping, design of the equipment and the associated piping, and design of the supports for equipment and piping. Coordinate with CITY to develop schedules and typical details for supports of exposed piping and equipment. Supports will be shown on the design drawings as agreed to by DESIGN CONSULTANT and CITY. In general, tag numbers for all valves 4 inches or greater and any other actuated valves (electric or pneumatic) will be included on mechanical drawings.
- HVAC / Plumbing / Fire Protection – The HVAC design will include the development of heating, ventilation, and air conditioning systems required for the FTPH#2 and WS#2 Electrical Enclosure buildings and areas, including equipment, ductwork, and ancillary devices. The plumbing design will include the development of potable and non-potable (seal) water and drainage systems required for the various buildings and areas. The fire protection design will be a performance specification only and will include fire suppression systems required for the various buildings and areas, including wet sprinklers and alarm systems. The plumbing and fire protection design will be coordinated with utility requirements. Coordinate with CITY to develop schedules and typical details for supports of exposed utility piping, HVAC ductwork, and equipment. Supports will be shown on the design drawings as agreed to by DESIGN CONSULTANT and CITY.
- Electrical – The electrical design will include an assessment of new FTPH#2 power requirements, coordination with the FTPH#1 existing power distribution system, design of power distribution and lighting systems for the new WS#2 building and areas, development of motor control schemes, design of MCCs and power conduits, and identification of area classifications, based on CITY's input and approval of recommended strategies and manufacturers. The electrical design will be coordinated with CITY's and the local power providing utility requirements. Coordinate with CITY to develop schedules and typical details for supports of exposed conduit and equipment. Supports will be shown on the design drawings as agreed to by DESIGN CONSULTANT and CITY.

Technical specifications developed by the DESIGN CONSULTANT will include provisions requiring the CONTRACTOR (and associated subcontractors and/or suppliers) to provide an additional level of detail as part of the shop drawing submittal process for DESIGN CONSULTANT and CITY's review and approval, and for documentation purposes, in both hardcopy and electronic format.

- Instrumentation and Controls – The instrumentation and controls (I&C) design will include specification of instrumentation hardware and software required to accomplish the distributed control and operation scheme(s), design of alarm and display systems, selection of control and monitoring instruments, and detailed control strategies to facilitate programming efforts. Instrumentation design will include only on-site FTPH#2 and WS#2 facilities up to the interface point with the CITY's SCADA telemetry system.

Technical specifications developed by the DESIGN CONSULTANT will include provisions requiring the CONTRACTOR (and associated subcontractors and/or suppliers) to provide an additional level of detail as part of the shop drawing submittal process for DESIGN CONSULTANT and CITY's review and approval, and for documentation purposes, in both hardcopy and electronic format.

### 3.1 – (60%) Design Review Submittal Package

The 60% review submittal will include applicable updates from the 30% review submittal, including the incorporation of applicable 30% submittal review comments provided by CITY. Provide a copy of a 30% design submittal comments log with the 60% review submittal.

Update the 15% Design opinion of probable construction costs estimate to AACEI Class 4 level of accuracy based on the 60% level of design for the FTPH#2 and WS#2.

**DELIVERABLES (PDF only): Drawings, Typical Details (book form), Technical Specifications, Equipment and Instrumentation List, and Opinion of Probable Construction Costs**

### 3.2 – (90%) Design and Agency Review Submittal Package

The (90%) submittal is intended as a concurrent internal review set for quality management and reviews by regulatory agencies and agencies having authority.

The 90% submittal package will include applicable updates from the 60% review submittal, including the incorporation of applicable 60% submittal review comments provided by CITY, plus the incorporation of typical details into the drawing set. Provide a copy of a 60% design submittal comments log with the 90% review submittal.

Update the opinion of probable construction costs estimate to AACEI Class 3 level of accuracy based on the 90% level of design.

Provide six (6) sets of submittal package consisting of the full-size plans and specifications for submission to the City of Flagstaff Development Services (Planning, Building, Engineering, and Fire) Departments for code compliance and agency review. Agency review sets will be sealed and stamped with “FOR AGENCY REVIEW ONLY - NOT FOR CONSTRUCTION” or similar note. All applicable department review fees will be paid for directly by the CITY.

Provide three (3) sets of submittal package consisting of the full-size plans and specifications for submission to the Coconino County Environmental Services Department (CCESD) for code compliance and agency review. Agency review sets will be sealed and stamped with “FOR AGENCY REVIEW ONLY - NOT FOR CONSTRUCTION” or similar note. The CITY will pay all applicable agency review fees.

#### **DELIVERABLES:**

- **Drawings, Technical Specifications and Opinion of Probable Construction Costs**
- **CITY Staff: Half-Size Review Drawings and Technical Specifications**
- **CITY DSD: Full-Size Drawings and Technical Specifications (6 hardcopy sets)**
- **CCESD: Full-Size Drawings and Technical Specifications (TBD hardcopy sets)**

### 3.3 – Final (100%) Contract Documents

The 100% (Final) set of Contract Documents will include applicable updates from the Agency Review submittal, plus applicable CITY, and agency review comments. Finalize, seal, and submit all design drawings and technical specifications (including “Front-End Documents, Special Provisions, Bid Alternatives, and a Bid Schedule) in the appropriate format within thirty (30) days following receipt of all review comments provided by CITY and other review agencies. Provide a copy of a 90% design submittal and Agency review comments log to CITY with the final submittal.



Update the opinion of probable construction costs estimate to AACEI Class 2 level of accuracy based on the 100% design for the FTPH#2 and WS#2.

***DELIVERABLES (PDF only): Drawings, Technical Specifications and Opinion of Probable Construction Costs***

#### **TASK 4 – QUALITY MANAGEMENT**

DESIGN CONSULTANT will perform general project and quality management activities throughout the Design Phase as delineated in the following sub-tasks.

##### **4.1 – Technical Peer Reviews**

Conduct an in-house technical peer review at the 30% design submittal stage to review the various design efforts, including relevant design criteria, layouts, and inter-relationships with current and anticipated future regulatory requirements. Peer review will be conducted using DESIGN PROFESSIONAL's subject matter expert(s).

##### **4.2 – Operability Reviews**

Perform an internal operability review at the 30% design submittal stage. This review will be conducted to verify that the preferred operational strategies and control philosophy are being properly implemented.

##### **4.3 – Constructability Reviews**

Perform an internal constructability analysis of the plans and specifications at the 60% design submittal stage. This will include a review of the design for the use of practical cost-effective construction measures, procedures, scheduling, and required construction activities and their impact on existing facility operation.

##### **4.4 – Detailed Quality Management Checks**

Perform an internal detailed quality management check of the plans and specifications prior to the 90% design review [Agency Review] submittal. Efforts will include items identified on DESIGN CONSULTANT's detailed checklist, in accordance with the Quality Management Plan. This check will include a review of the plans, specifications, and typical details for conformity with the local, state, and federal guidelines, as well as coordination between all discipline groups.

***DELIVERABLES (PDF only): 90% Design Review Submittal Comments Log***

#### **TASK 5 – PERMITTING ASSISTANCE**

DESIGN CONSULTANT will perform various permitting coordination and assistance activities with the CITY Regulatory Compliance Specialist throughout the Design Phase, as delineated in the following tasks.

##### **5.1 – City of Flagstaff Permitting Coordination**

DESIGN CONSULTANT will lead the permitting efforts required with the CITY Development Services Department. Confirm applicable codes and standards identified during the Preliminary Design phase and update as appropriate. Develop applicable permit applications and supporting documents in accordance with the Permitting Assistance Plan. Facilitate early coordination meetings with applicable representatives of

the CITY Development Services Departments at the 30% design stage. Submit applicable Interim Submittal Review and Agency Review documents and associated reports, plans and supporting information to the CITY Development Service Departments for Building, Site, Civil and Fire plan review approvals accordingly.

The initial versions of the application packages will be assembled and submitted to CITY for review after receipt of all necessary information. Upon receipt of comments, the application packages will be finalized and include necessary CITY signatures and will then be submitted to the appropriate Department representatives.

Following submittal of the final packages, DESIGN CONSULTANT will support the application process through discussions with CITY staff and will submit additional information, as requested.

NOTE: *It is assumed that any permit fees for the Project will be paid directly by the CITY.*

**DELIVERABLES: Draft and Final Permit Applications and Supporting Documentation (Number of copies TBD)**

## **5.2 – Approval to Construct Permit Coordination**

If determined to be required, DESIGN CONSULTANT will lead the Approval to Construct (ATC) permitting efforts with the Coconino County Environmental Services Department (CCESD) and/or Arizona Department of Environmental Quality (ADEQ).

Prepare for and facilitate a pre-application meeting with CCESD and/or ADEQ to discuss the ATC permit requirements and required supporting information, including potential phased review requirements.

In addition to the Agency Review document set(s) and Design Report, develop an ATC permit application in accordance with applicable requirements. The initial versions of the ATC application packages will be assembled and submitted to CITY for review after receipt of all necessary information. Upon receipt of comments, the application packages will be finalized and submitted for non-expedited review to obtain the ATC.

Following submittal of the final application packages, DESIGN CONSULTANT will support the application process through additional agency discussions and will submit additional information, as requested.

NOTE: The CITY will directly pay all applicable permit application review fees.

NOTE: *The subsequent Approval of Construction (AOC) submission is not included within this scope of services but will be included under a subsequent Construction Phase Services contract (if desired).*

**DELIVERABLES: Draft and Final Permit Applications and Supporting Documentation (Number of copies TBD)**

## **TASK 7 – ALLOWANCES**

DESIGN CONSULTANT will coordinate with appropriate CITY staff regarding any required modifications to the existing scope of services for the use of Task 7 – Allowances funds and provide any supporting information as applicable.

### **7.1 – Miscellaneous Services and Other Direct Costs**

PURPOSE: The direct costs to the DESIGN CONSULTANT will be reimbursed for

miscellaneous services and/or other direct costs (ODCs) such as, but not limited to, printing, mail, courier service, travel, and lodging.

**TIME OF PERFORMANCE**

The work covered by this design services Task Order will be complete within 12 months from the receipt of written Notice to Proceed (NTP) from CITY, in accordance with the preliminary schedule presented in EXHIBIT C.

**PAYMENT**

Payment for the items listed herein will include a Not-to-Exceed amount of **\$377,542.00** based on the actual expended labor hours and costs estimated in EXHIBIT B plus Subconsultants in the amount of **\$120,846.00**, for a base Project amount of **\$498,388.00**.

Additional Allowances in the amount of **\$1,600.00** are also included as defined in Exhibit A, for a total contract Not-to-Exceed amount of **\$499,988.00**.

## **EXHIBIT A-1**

### **CITY RESPONSIBILITIES**

The following items to be completed by the CITY are intended to supplement the requirements set forth in the DESIGN CONSULTANT Agreement:

1. Supply a preferred Equipment List and costs for the principal equipment to be designed and installed at the FTPH#2 and WS#2 facilities.
2. As requested, aid the DESIGN CONSULTANT in gaining access to and making provisions for the DESIGN CONSULTANT to enter upon public and private land as required for the DESIGN CONSULTANT to perform its work under this Contract.
3. Provide all CITY standards, specifications, and details that are to be incorporated into the design.
4. Review and provide written comments to DESIGN CONSULTANT's questions, draft and interim submittals, and other design review materials in a timely manner within the appropriate review/comment period(s) as identified on the Project Schedule.
5. Furnish, to the extent reasonable, available copies of all calculations, reports, and data applicable to the FTPH#1, WS#1, and WS#2.
6. Furnish information regarding CITY utilities (existing and/or proposed) within the FTRA and near the proposed project sites.
7. Obtain all easements and rights-of-way (as applicable).
8. Directly pay all Building and Fire Department review fees (for civil, building and fire plan reviews), as applicable.

CITY OF FLAGSTAFF Fort Tuthill Pump House Conceptual (30%) and Detailed (60%, 90%, and Final) Design and Bid Services APRIL 2024			
PRELIMINARY DRAWING LIST			
Sht. No.	Dwg. No.	Drawing Title	Carollo, EIC, Sub
<b>GENERAL (G)</b>			
1	G-01	TITLE SHEET AND LOCATION MAPS	C
2	G-02	DRAWING INDEX AND PIPELINE IDENTIFIERS AND GENERAL NOTES	C
3	G-03	OVERALL SITE PLAN AND EASEMENTS	C
4	G-04	PROCESS FLOW DIAGRAM	C
<b>CIVIL (C)</b>			
5	C-01	CIVIL GENERAL NOTES, SYMBOLS, AND ABBREVIATIONS	C
6	C-02	WELL NO. 2 SITE PLAN AND EASEMENT PLAN	C
7	C-03	HORIZONTAL AND VERTICAL CONTROL	C
8	C-04	FTPH #2 GRADING AND PAVING PLAN	C
9	C-05	WELL SITE NO. 2 GRADING AND PAVING PLAN	C
10	C-06	FTRA ACCESS ROADS GRADING AND PAVING PLAN	C
11	C-07	PLAN AND PROFILE STA 0+00 TO STA 10+00	C
12	C-08	PLAN AND PROFILE STA 10+00 TO STA 20+00	C
13	C-09	PLAN AND PROFILE STA 20+00 TO STA 30+00	C
14	C-10	CIVIL DETAILS 1	C
<b>ARCHITECTURAL (A)</b>			
15	A-01	GENERAL CODE ANALYSIS AND PROJECT SUMMARY	C
16	A-02	WELL SITE NO. 2 ELECTRICAL ENCLOSURE FLOOR PLANS	C
17	A-03	WELL SITE NO. 2 ELECTRICAL ENCLOSURE ELEVATIONS	C
18	A-04	ARCHITECTURAL DETAILS 1	C
<b>STRUCTURAL (S)</b>			
19	S-01	STRUCTURAL GENERAL NOTES	C
20	S-02	FTPH#2 TANK PLANS	C
21	S-03	FTPH#2 STRUCTURAL SECTIONS 1	C
22	S-14	STRUCTURAL DETAILS 1	C
<b>MECHANICAL (M)</b>			
23	M-01	MECHANICAL SYMBOLS AND ABBREVIATIONS	C
24	M-02	WELL SITE NO. 2 MECHANICAL PIPING	C
25	M-03	FTPH#2 MECHANICAL PIPING PLAN	C
26	M-04	FTPH#2 MECHANICAL PIPING SECTIONS	C
27	M-05	FTPH#2 MECHANICAL TANK PIPING PLAN	C
28	M-06	FTPH#2 MECHANICAL TANK PIPING SECTIONS	C
29	M-07	MECHANICAL DETAILS 1	C
<b>HVAC (H)</b>			
30	H-01	LEGEND AND SYMBOLS	C
31	H-02	FTPH#2 HVAC	C
<b>ELECTRICAL (E)</b>			
32	E-01	ELECTRICAL ABBREVIATIONS	E
33	E-02	ELECTRICAL SYMBOLS - 1	E
34	E-03	OVERALL AREA MAP - BOOSTER AND WELL SITES	E
35	E-04	BOOSTER SITE POWER, CONTROL, LIGHTING, AND GROUNDING PLAN - DEMO	E
36	E-05	BOOSTER SITE POWER AND CONTROL PLAN - REVISED	E
37	E-06	BOOSTER SITE LIGHTING AND GROUNDING PLAN - REVISED	E
38	E-07	WELL SITE POWER, CONTROL, LIGHTING, AND GROUNDING PLAN	E
39	E-08	ELECTRICAL ROOM - POWER AND CONTROL PLAN - DEMO	E
40	E-19	ELECTRICAL ROOM - POWER AND CONTROL PLAN - REVISED	E
41	E-10	SINGLE LINE DIAGRAM - DEMO	E
42	E-11	SINGLE LINE DIAGRAM - REVISED (FTP#2 AND WELL SITE #2)	E
43	E-12	LOAD SUMMARY AND PANEL SCHEDULES (FTP#2 AND WELL SITE #2)	E
44	E-13	CONTROL CONDUIT AND CABLE BLOCK DIAGRAM	E
45	E-14	BOOSTER PUMP CONTROL SCHEMATICS	E
46	E-15	WELL PUMP CONTROL SCHEMATICS	E
47	E-16	INSTRUMENTS AND LEVEL CONTROL SCHEMATICS	E
48	E-17	CHLORINATION CONTROL SCHEMATICS	E
49	E-18	ELECTRICAL DETAILS 2	E
<b>INSTRUMENTATION AND CONTROL (N)</b>			
50	N-01	LEGENDS AND SYMBOLS - 1	E
51	N-02	NETWORK COMMUNICATION DIAGRAM	E
52	N-03	P&ID WELL PUMP	E
53	N-04	P&ID BOOSTER PUMP	E
54	N-05	P&ID CHLORINATION SYSTEM	E
55	N-06	INSTRUMENTATION DETAILS 2	E
<b>TYPICAL DETAILS (T)</b>			
56	T-01	TYPICAL DETAILS 1	C
<b>TOTAL SHEETS (PRELIMINARY AND DETAILED DESIGN) =</b>			56



CITY OF FLAGSTAFF

FORT TUTHILL PUMP HOUSE #2 PRELIMINARY AND DETAILED DESIGN AND BID PHASE SERVICES

EXHIBIT B - DRAFT REVISED CHANGE ORDER FEE PROPOSAL

Carollo Labor Hours by Category

TASKS	TASK DESCRIPTION	Carollo Labor Hours by Category										Total Carollo Labor Hours	Carollo Labor Budget + Subconsultant
		Project Manager	Senior Professional	Lead Project Professional	Project Professional	Professional Engineer	Assistant Professional	CAD Technician	Assistant CAD Technician	Clerical	Subconsultants (With Markup)		
<b>1 - Design Management and Administration (12 Month Duration)</b>													
1.1	Project Control and Reporting (12 Months)				18							18	\$ 4,518
1.2	Project Meetings	12	12	0	23							47	\$ 13,213
	<b>Subtotal</b>	<b>12</b>	<b>12</b>	<b>0</b>	<b>41</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$ 18,520</b>	<b>65</b>	<b>\$ 36,251</b>
<b>2 - Preliminary (30%) Design Submittal Package</b>													
2.1	Facilities and Utilities Assessment			8	8	16	16					48	\$ 9,744
2.2	Electrical System Strategies						8				8	16	\$ 2,280
2.3	Instrumentation & Controls and SCADA System Strategies						8				8	16	\$ 2,280
2.4	Drainage Report	4				24				8		36	\$ 6,736
2.5	Preliminary (30%) Design Review Submittal Package	8		8		84	48	90				238	\$ 45,014
2.6	Basis of Design Report (BDR)	12			12	24	32			12		92	\$ 17,904
	<b>Subtotal</b>	<b>24</b>	<b>0</b>	<b>16</b>	<b>20</b>	<b>148</b>	<b>112</b>	<b>90</b>	<b>0</b>	<b>36</b>	<b>\$ 46,234</b>	<b>446</b>	<b>\$ 130,192</b>
<b>3 - Detailed (60%, 90%, and Final) Design and Specifications Submittal Packages</b>													
3.1	60% Detailed Design Drawings	16		8	72	48	64	90				298	\$ 61,390
3.2	60% Detailed Design Technical Specifications					44				12		56	\$ 9,748
3.3	60% Design Cost Estimate	4			16							20	\$ 5,256
3.4	90% Detailed Design Drawings	8		8	78	48	64	136				342	\$ 69,018
3.5	90% Detailed Design Technical Specifications					68				24		92	\$ 15,736
3.6	90% Design Cost Estimate	4			16							20	\$ 5,256
3.7	Final (100%) Detailed Design Drawings	8		8	16	64	40	64				200	\$ 39,112
3.8	Final (100%) Detailed Design Technical Specifications					16				8		24	\$ 3,992
3.9	Final (100%) Design Cost Estimate	4			16							20	\$ 5,256
	<b>Subtotal</b>	<b>44</b>	<b>0</b>	<b>24</b>	<b>214</b>	<b>288</b>	<b>168</b>	<b>290</b>	<b>0</b>	<b>44</b>	<b>\$ 66,602</b>	<b>1072</b>	<b>\$ 281,366</b>
<b>4 - Quality Management</b>													
4.1	Technical Peer Reviews				8							8	\$ 2,008
4.2	Operability Reviews				8							8	\$ 2,008
4.3	Constructability Reviews				12							12	\$ 3,012
4.4	Detailed Quality Management Checks		100									100	\$ 31,000
	<b>Subtotal</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>28</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$ -</b>	<b>128</b>	<b>\$ 38,028</b>
<b>5 - Permitting Assistance</b>													
5.1	City of Flagstaff Permitting Coordination	8				16						24	\$ 5,488
5.2	Approval to Construct Permit Coordination	8				16						24	\$ 5,488
	<b>Subtotal</b>	<b>16</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$ 1,575</b>	<b>48</b>	<b>\$ 12,551</b>
	<b>Labor Hours</b>	<b>96</b>	<b>112</b>	<b>40</b>	<b>303</b>	<b>468</b>	<b>280</b>	<b>380</b>	<b>0</b>	<b>80</b>	<b>\$ 132,931</b>	<b>1,759</b>	<b>\$ 498,388</b>
	Labor Billing Rate (\$/hour)	\$310	\$310	\$267	\$251	\$188	\$162	\$187	\$139	\$123			
	Carollo Labor Cost (\$)	\$29,760	\$34,720	\$10,680	\$76,053	\$87,984	\$45,360	\$71,060	\$0	\$9,840	\$12,085		\$ 377,542
	<b>Subconsultants</b>												
	7.2 - EIC Engineers Reimbursable Expenses	\$ 750											\$ 1,600
	7.3 - EIC Engineers	\$ 120,846											
													<b>Total Allowances = \$ 1,600</b>
													<b>Total Fee = \$ 499,988</b>
	<b>Total Subconsultant Fee = \$ 121,596</b>												
	<i>Refer to estimate by task above; does not include 10% markup; fee proposal amount includes 10% markup.</i>												
<b>NOTES:</b>													
1.	Compensation method will be based on the fee schedule rates above with a not-to-exceed amount of the Total Budget Estimate shown. Invoiced amounts will reflect actual labor hours, subconsultant costs, and expenses.												
2.	Task line item budgets are shown for estimating purposes only and do not represent individual not-to-exceed amounts. Actual expenditures for individual tasks will likely vary from the task estimates.												
3.	Carollo labor billing rates shown are based on 2024 ADOA labor rates, and subject to change annually.												
4.	Owner's Contingency to be Determined by Owner at Time of Final Contract												

	<p style="text-align: center;"><b>Request for Qualifications Design Professional Services</b></p> <p style="text-align: center;">Solicitation No. <b>BPM004132</b></p> <p style="text-align: center;">Description: <b>ADOA On-Call Civil Engineering Services</b></p>	<p style="text-align: center;">Arizona Department of Administration <b>General Services Division</b></p> <p style="text-align: center;">1400 West Washington Street, Suite B200 Phoenix, AZ 85007</p>
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## NOTICE OF REQUEST FOR QUALIFICATIONS

Pursuant to A.R.S. § 41-2579, the Arizona Department of Administration (ADOA), General Services Division (the State) is seeking to establish multiple Professional Service contracts with engineering design firm(s) to provide on-call civil engineering services for maintenance and capital improvement projects of varying size and complexity for projects located throughout the state. ***Contracts may be awarded to a maximum of ten (10) firms.***

The State proposes to retain highly qualified, capable firms to act as the Civil Engineer on the design of future projects. The firms who participate in this Request for Qualifications (RFQu) process are referred to as “Offerors” or “Engineers” throughout the solicitation documents.

All design and construction will be dependent on the level of funding committed to capital maintenance.

Contract(s) will be utilized by State Agencies and Cooperative Members.

List of all state agencies is available at: <https://azdirect.az.gov/agencies>

Active Co-Op Members List is available at: <https://spo.az.gov/procurement-services/cooperative-procurement/state-purchasing-cooperative> .

The State reserves the right to negotiate with one or more parties and is not obligated to enter into any contract with any respondent on any terms or conditions. Any designs resulting from this solicitation may be used in future projects of similar scope.

**AMENDED DUE DATE AND TIME: Offers are due Tuesday, January 11, 2022 by 3:00 PM, Arizona time.**

Awards for this solicitation will result in base contracts. The State makes no guarantee as to actual spend under any resultant contract. Individual tasks will be identified and awarded as Task Orders to this base contract.

In accordance with A.R.S. § 41-2579, request for qualifications for the Design Professional services specified, will be received by the State Procurement Office **online** through the State’s e-Procurement system, APP ([www.app.az.gov](http://www.app.az.gov)) at the date and time posted in APP. Qualifications received by the correct time and date will be opened and the name of each offeror will be publicly available.

**Qualifications must be in the actual possession of the State on or prior to the time and date indicated in the Notice.**

### **LATE QUALIFICATIONS WILL NOT BE CONSIDERED**

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the appropriate Procurement Agency. Requests should be made as early as possible to allow time to arrange the accommodation. A person requiring special accommodations may contact the solicitation contact person responsible for this procurement as identified above.

### **OFFERORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION**

	<p style="text-align: center;"><b>Request for Qualifications For Design Professional</b></p> <p style="text-align: center;">Solicitation No. BPM004132</p> <p style="text-align: center;">Description: <b>ADOA On-Call Civil Engineering Services</b></p>	<p style="text-align: center;">Arizona Department of Administration <b>General Services Division</b> 1400 West Washington Street., Suite B200 Phoenix, AZ 85007</p>
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**UNIFORM TERMS AND CONDITIONS**ERROR! BOOKMARK NOT DEFINED.



	<p style="text-align: center;"><b>Request for Qualifications For Design Professional</b></p> <p style="text-align: center;">Solicitation No. BPM004132</p> <p style="text-align: center;">Description: <b>ADOA On-Call Civil Engineering Services</b></p>	<p style="text-align: center;">Arizona Department of Administration <b>General Services Division</b> 1400 West Washington Street., Suite B200 Phoenix, AZ 85007</p>
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## **ATTACHMENTS - REQUIRED DOCUMENTS**

### ORDER OF ATTACHMENTS

- ATTACHMENT 1 – OFFER AND ACCEPTANCE FORM (MUST SIGN)
- ATTACHMENT 2 – BOYCOTT OF ISRAEL DISCLOSURE (MUST SIGN)
- ATTACHMENT 3 – OFFEROR INFORMATION QUESTIONNAIRE
- ATTACHMENT 4 – METHOD PROPOSAL
- ATTACHMENT 5 – ORGANIZATIONAL PROFILE
- ATTACHMENT 6 – KEY PERSONNEL PROPOSAL / RESUMES
- ATTACHMENT 7 – PROPOSED SUBCONTRACTORS
- ATTACHMENT 8 – LETTER OF INSURABILITY
- ATTACHMENT 9 – PRICING (**DO NOT SUBMIT WITH SOQ**)
- ATTACHMENT 10 - CONFIDENTIAL INFORMATION DESIGNATION (MUST SIGN)
- ATTACHMENT 11 – CONFORMANCE STATEMENTS
- ATTACHMENT 12 – CONFORMANCE STATEMENT SUPPLEMENTS (MUST SIGN)

## **ATTACHMENTS-NOT REQUIRED DOCUMENTS**

- ATTACHMENT – SAMPLE CONTRACT

	<p style="text-align: center;"><b>Request for Qualifications For Design Professional</b></p> <p style="text-align: center;">Solicitation No. BPM004132</p> <p style="text-align: center;">Description: <b>ADOA On-Call Civil Engineering Services</b></p>	<p style="text-align: center;">Arizona Department of Administration <b>General Services Division</b> 1400 West Washington Street., Suite B200 Phoenix, AZ 85007</p>
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## INSTRUCTIONS TO OFFERORS

### 1.0 DEFINITION OF TERMS:

As used in these Instructions, the terms listed below are defined as follows:

**1.1 Attachment**

“Attachment” means any item the Solicitation requires an Offeror to submit as part of the Offer.

**1.2 Best and Final Offer**

“Best and Final Offer” means a revision to an Offer submitted after negotiations are completed that contains the Offeror’s most favorable terms for price, service, and products to be delivered.

**1.3 E-Procurement**

“eProcurement (Electronic Procurement)” means conducting all or some of the procurement function over the Internet. Point, click, buy, and ship Internet technology is replacing paper-based procurement and supply management business processes. Elements of eProcurement also include Request for Qualifications, Request for Proposals, and Request for Quotations.

**1.4 Offer**

“Offer” means a response to a Solicitation.

**1.5 Offeror**

“Offeror” means a person who responds to a Solicitation.

**1.6 Solicitation**

“Solicitation” means a Request for Proposals (“IFB”), a Request for Technical Offers, a Request for Proposals (“RFP”), a Request for Quotations (“RFQ”), or any other invitation or request issued by the purchasing agency to invite a person to submit an offer.

**1.7 Solicitation Amendment**

“Solicitation Amendment” means a change to the Solicitation issued by the Procurement Officer.

### 2.0 INQUIRIES

**2.1 Duty to Examine**

It is the responsibility of each Offeror to examine the entire Solicitation, seek clarification in writing through the APP project specific Discussion Forum and examine its Offer for accuracy

	<p><b>Request for Qualifications For Design Professional</b></p> <p>Solicitation No. BPM004132</p> <p>Description: <b>ADOA On-Call Civil Engineering Services</b></p>	<p>Arizona Department of Administration <b>General Services Division</b> 1400 West Washington Street., Suite B200 Phoenix, AZ 85007</p>
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before submitting an Offer. Lack of care in preparing an Offer shall not be grounds for modifying or withdrawing the Offer after the Offer due date and time.

**2.2 Solicitation Contact Person**

Any inquiry related to a Solicitation, including any requests for or inquiries regarding standards referenced in the Solicitation shall be directed solely to the Procurement Officer.

**2.3 Submission of Inquiries**

All inquiries related to the Solicitation are required to be submitted in the State's eProcurement system. All responses to inquiries will be answered in the State's eProcurement system. Any inquiry related to the Solicitation should reference the appropriate solicitation page and paragraph number. Offerors are prohibited from contacting any state employee other than the Procurement Officer concerning the procurement while the solicitation and evaluation are in process.

**2.4 Timeliness**

Any inquiry or exception to the Solicitation shall be submitted as soon as possible for review and determination by the State. Failure to do so may result in the inquiry not being considered for a Solicitation Amendment.

**2.5 No Right to Rely on Verbal or Electronic Mail Responses**

An Offeror shall not rely on verbal or electronic mail responses to inquiries. A verbal or electronic mail reply to an inquiry does not constitute a modification of the solicitation.

**2.6 Solicitation Amendments**

The Solicitation shall only be modified by a Solicitation Amendment.

**2.7 Pre-Submittal Conference**

If a pre-submittal conference has been scheduled under the Solicitation, the date, time and location shall appear in the State's eProcurement system. Offerors should raise any questions about the Solicitation at that time. An Offeror may not rely on any verbal responses to questions at the conference. Material issues raised at the conference that result in changes to the Solicitation shall be answered solely through a Solicitation Amendment.

**2.8 Persons with Disabilities**

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Procurement Officer. Requests shall be made as early as possible to allow time to arrange the accommodation.

All questions related to the content of this Request for Qualifications shall be submitted via the Q & A Discussion Forum function within the solicitation in APP. Inquiries received less than 72 hours prior to

	<h2 style="margin: 0;">Request for Qualifications For Design Professional</h2> <p style="margin: 0;">Solicitation No. BPM004132</p> <p style="margin: 0;">Description: <b>ADOA On-Call Civil Engineering Services</b></p>	<p style="margin: 0;">Arizona Department of Administration <b>General Services Division</b> 1400 West Washington Street., Suite B200 Phoenix, AZ 85007</p>
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the bid opening date are not guaranteed to be answered before the offer due date and time. Only official solicitation amendments issued by the State Procurement Office through APP shall constitute a change to the solicitation requirements. Technical inquiries about submitting your offer in APP should be submitted to the APP Help Desk by phone at (602) 542-7600, option 2, or by email at [app@azdoa.gov](mailto:app@azdoa.gov)

### 3.0 OFFER PREPARATION

#### 3.1 Electronic Documents

The Solicitation is provided in an electronic format. Offerors are responsible for clearly identifying any and all changes or modifications to any Solicitation documents upon submission to the State's eProcurement system. Any unidentified alteration or modification to any Solicitation, attachments, exhibits, forms, charts, or illustrations contained herein shall be null and void. Offeror's electronic files shall be submitted in a format acceptable to the State. Acceptable formats include .doc and .docx (Microsoft Word), .xls and .xlsx (Microsoft Excel), .ppt and .pptx (Microsoft PowerPoint) and .pdf (Adobe Acrobat). Offerors wishing to submit files in any other format shall submit an inquiry to the Procurement Officer.

#### 3.2 Evidence of Intent to be bound

The Offer and Acceptance form within the Solicitation shall be submitted with the Offer in the State's eProcurement system and shall include a signature by a person authorized to sign the Offer. The signature shall signify the Offeror's intent to be bound by the Offer and the terms of the Solicitation and that the information provided is true, accurate, and complete. Failure to submit verifiable evidence of intent to be bound, such as a signature, shall result in rejection of the Offer.

#### 3.3 Exceptions to RFQu Documents

##### 3.3-A *Exceptions to the Terms and Conditions.*

All exceptions included with the Offer shall be submitted in the State's eProcurement system in a clearly identified separate section of the Offer in which the Offeror clearly identifies the specific paragraphs of the Solicitation where the exceptions occur. Any exceptions not included in such a section shall be without force and effect in any resulting Contract unless such exception is specifically accepted by the Procurement Officer in a written statement. The Offeror's preprinted or standard terms will not be considered by the State as a part of any resulting Contract.

##### 3.3-B *Exceptions To Other Solicitation Documents*

An Offer that takes exception to a material requirement of any part of the Solicitation, including terms and conditions, shall be rejected.

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**3.3-C**     *Exceptions Affect Evaluation*

All exceptions that are contained in the Offer may negatively impact an Offeror's susceptibility for award. An Offer that takes exception to any material requirement of the solicitation may be rejected.

**3.4**     **Subcontracts**

Offeror shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities in the Offer.

**3.5**     **Cost of Offer Preparation**

The State will not reimburse any Offeror the cost of responding to a Solicitation.

**3.6**     **Federal Excise Tax**

The State is exempt from certain Federal Excise Tax on manufactured goods. Exemption Certificates will be provided by the State.

**3.7**     **Provision of Tax Identification Numbers**

Offerors are required to provide their Arizona Transaction Privilege Tax Number and/or Federal Tax Identification number in the space provided on the Offer and Acceptance form.

**3.8**     **Employee Identification**

Offeror agrees to provide an employee identification number or social security number to the State for the purposes of reporting to appropriate taxing authorities, monies paid by the State under this Contract. If the federal identifier of the Offeror is a social security number, this number is being requested solely for tax reporting purposes and will be shared only with appropriate state and federal officials. This submission is mandatory under 26 U.S.C. § 6041A.

**3.9**     **Identification of Taxes in Offer**

The State is subject to all applicable state and local transaction privilege taxes. All applicable taxes shall be identified as a separate item offered in the Solicitation. When applicable, the tax rate and amount shall be identified on the price sheet.

**3.10**    **Disclosure**

If the person submitting this Offer has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any federal, state or local government, or if any such preclusion from participation from any public procurement activity is currently pending, the Offeror shall fully explain the circumstances relating to the preclusion or proposed preclusion in the Offer. The Offeror shall set forth the name and address of the governmental unit, the effective date of the suspension or debarment, the duration of the suspension or

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debarment, and the relevant circumstances relating to the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above shall be provided.

**3.11 Delivery**

Unless stated otherwise in the Solicitation, all prices shall be F.O.B. Destination and shall include all freight, delivery and unloading at the destination(s).

**3.12 Federal Immigration and Nationality Act**

By signing of the Offer, the Offeror warrants that both it and all proposed subcontractors are in compliance with federal immigration laws and regulations (FINA) relating to the immigration status of their employees. The State may, at its sole discretion require evidence of compliance during the evaluation process. Should the State request evidence of compliance, the Offeror shall have five days from receipt of the request to supply adequate information. Failure to comply with this instruction or failure to supply requested information within the timeframe specified shall result in the Offer not being considered for contract award.

**4.0 SUBMISSION OF OFFER**

**4.1 Arizona Procurement Portal (APP)**

Offers in response to this solicitation shall be submitted within the State's eProcurement system, APP (<https://appstate.az.gov>). Please be advised that utilizing APP requires a certain level of technical competency that should be considered when selecting staff to work in the system. The successful submission of your offer in APP is critical in order for the State to receive and evaluate your offer. Therefore, particular focus should be placed on the selection of staff given the responsibility for submitting your offer in APP. Offers shall be received before the date/time listed in the solicitation's 'Bid Opening Date' field. Offers submitted outside APP, or those that are received after the date/time stated in the 'Bid Opening Date' field, shall be rejected.

**4.2 Offer Submission, Due Date and Time**

Offerors responding to a Solicitation must submit the Offer electronically through the State's eProcurement system. Offers shall be received before the due date and time stated in the solicitation. Offers submitted outside of the State's eProcurement system or those that are received after the due date and time shall be rejected.

**4.3 Offer and Acceptance**

Offers shall include a signed Offer and Acceptance form. The Offer and Acceptance form shall be signed with a signature by the person authorized to sign the Offer, and shall be submitted in the State's eProcurement system with the Offer no later than the Solicitation

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due date and time. Failure to return an Offer and Acceptance form may result in rejection of the Offer.

**4.4 Solicitation Amendments**

A Solicitation Amendment shall be acknowledged in the State’s eProcurement system no later than the Offer due date and time. Failure to acknowledge a Solicitation Amendment may result in rejection of the Offer.

**4.5 Offer Amendment or Withdrawal**

An Offer may not be amended or withdrawn after the Offer due date and time except as otherwise provided under applicable law.

**4.6 Confidential Information**

If an Offeror believes that any portion of an Offer, protest, or correspondence contains a trade secret or other proprietary information, the Offeror shall clearly designate the trade secret and other proprietary information, using the term “confidential.” An Offeror shall provide a statement detailing the reasons why the information should not be disclosed including the specific harm or prejudice that may arise upon disclosure. The Procurement Officer shall review all requests for confidentiality and provide a written determination. Until a written determination is made, a Procurement Officer shall not disclose information designated as confidential except to those individuals deemed to have a legitimate State interest. In the event the Procurement Officer denies the request for confidentiality, the Offeror may appeal the determination to the State Procurement Administrator within the time specified in the written determination. Contract terms and conditions, pricing, and information generally available to the public are not considered confidential information.

**4.7 Public Record**

All Offers submitted and opened are public records and must be retained by the State for six years. Offers shall be open and available to public inspection through the State’s eProcurement system after Contract award, except for such Offers deemed to be confidential by the State.

**4.8 Non-collusion, Employment, and Services**

By signing the Offer and Acceptance form or other official contract form, the Offeror certifies that:

- (1) The Offeror did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its Offer; and
- (1) The Offeror does not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national

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origin, or disability, and that it complies with an applicable federal, state, and local laws and executive orders regarding employment.

**4.9 Content of Statement of Qualifications**

**4.9-A Required Documents**

The submitted statement of qualifications shall include the following documents. Failure to submit all documents below according to instructions may have a negative impact on the evaluated score or result in the offer being determined non-responsive and therefore not susceptible for award.

- (1) Attachment 1 – Offer and Acceptance Form
- (2) Attachment 2 – Boycott of Israel Disclosure
- (3) Attachment 3 – Offeror Information Questionnaire
- (4) Attachment 4 - Method of Approach
- (5) Attachment 5 – Organizational Profile
- (6) Attachment 6 – Key Personnel Proposal / Resumes
- (7) Attachment 7 – Proposed Subcontractors
- (8) Attachment 8 – Letter of Insurability
- (9) Attachment 9 – Pricing **(Do Not Submit Pricing)**
- (10) Attachment 10 – Confidential Information Designation
- (11) Attachment 11 – Conformance Statements
- (12) Attachment 12 – Conformance Statement - Supplements

**4.9-B Pre-Printed Documents**

Any pre-printed documents required by this solicitation are located within this document and shall be completed in the format provided and according to any instructions contained within the document or elsewhere in these instructions. Offerors shall download all pre-printed documents, save the completed document to their computer, and upload completed documents as part of their submitted offer in APP. Excessive marketing attachments that are not requested in the documents listed below are discouraged.

**4.9-C Submission of Pricing**

Offeror shall not submit fees or hourly rate schedules with their statement of qualifications. **(With the exception of the \$1.00 pricing to satisfy the eProcurement System functionality)**



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## 5.0 EVALUATION

### 5.1 Opening

Supplemental to Instructions to Offerors paragraph 4.7, offers received by the due date and time will be opened online and the name of each Offeror will be publicly available. Offers will not be subject to public inspection until after contract award.

### 5.2 Selection Process

#### 5.2-A *Selection Committee*

A Selection Committee will review the Statements of Qualifications and develop a final list with a minimum of three (3) and not more than ten (10) persons or firms.

5.2-A-(01) The Selection Committee may determine a 2<sup>nd</sup> round of Q&A worth up to 250 points if necessary to develop the final list with a minimum of three (3) and not more than ten (10) persons or firms.

#### 5.2-B *Evaluation Criteria*

##### 5.2-B-(01) Statement of Qualifications

(01) (a) Firms interested in providing services must submit a Statement of Qualifications (SOQ) that addresses the following evaluation criteria.

(01) (b) In accordance with A.R.S. § 41-2579, statements of qualifications will be evaluated based on the following evaluation criteria. The evaluation criteria and relative weight of the criteria will be used to determine the short list of persons or firms to be interviewed.

**Information Questionnaire 250 points: Attachment – Offeror Information Questionnaire**

**Method 350 points: Attachment – Method Proposal**

**Experience and Capacity 400 points: Attachments – Organizational Profile and Key Personnel**

#### 5.2-C *Interviews*

5.2-C-(01) Interviews may be conducted with at least three (3) but not more than ten (10) persons or firms on the short list Based on the evaluation of the SOQs and shall form the Short List. Interview shall expand on the selection criteria listed in 5.2-B

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5.2-C-(03) The selection committee will select the persons or firms on the final list and their order on the final list solely through the results of the evaluation committee consensus process.

*Interviews may be conducted either via video conference or in person and are estimated to be thirty to forty-five minutes in length. The proposed Design Professional key personnel and subcontractor(s) team are required to attend.*

**5.3 Cost is Not a Consideration**

Fees, price, man-hours or any other cost information shall not be requested or considered at any point in the qualifications selection process, the selection of persons or firms to be on the final list, in determining the order of preference of persons or firms on the final list.

**5.4 Clarifications**

The State may request oral or written clarifications, including demonstrations or questions and answers, for the sole purpose of providing a greater understanding of the offer. Clarifications shall not otherwise afford the Offerors the opportunity to alter or make a material change in its offer.

**5.5 Negotiations**

The Procurement Officer may proceed to negotiate agreements for services, commemorated with an official (**Invitation to Negotiate**) sent to the highest ranked Submitters on the Final List. If the Procurement Officer is unable to negotiate a satisfactory agreement with a Submitter, for compensation and on other terms the Procurement Officer determines to be fair and reasonable, negotiations with that Submitter will be formally terminated. Once negotiations have been terminated with a Submitter, they may not be re-opened with that Submitter for this procurement.

**5.6 Responsibility, Responsiveness, and Susceptibility**

The State shall consider, at a minimum, the following criteria when determining Offeror’s responsibility, as well, as the statement of qualification’s responsiveness and susceptibility for contract award.

- (1) Whether the Offeror has had a contract within the last five (5) years that was terminated for cause due to breach or similar failure to comply with the terms of the contract;
- (2) Whether the Offeror’s record of performance includes factual evidence of failure to satisfy the terms of the Offeror’s agreements with any party to a contract. Factual evidence may consist of documented vendor performance reports, customer complaints and/or negative references;

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- (3) Whether the Offeror is legally qualified to contract with the State and the Offeror's financial, business, personnel, or other resources, including subcontractors; This includes if the vendor or key personnel have been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body;
- (4) Whether the Offeror promptly supplied all requested information concerning its responsibility;
- (5) Whether the Offer was sufficient to permit evaluation by the State, in accordance with the evaluation criteria identified in this Solicitation or other necessary offer components. Necessary offer components include: attachments, documents or forms to be submitted with the offer, an indication of the intent to be bound, reasonable or acceptable approach to perform the Scope of Work, acknowledged Solicitation Amendments, references to include experience verification, adequacy of financial/business/personal or other resources to include a performance bond and stability including subcontractors and any other data specifically requested in the Solicitation;
- (6) Whether the Offer was in conformance with the requirements contained in the Scope of Work, Terms and Conditions, and Instructions for the Solicitation including its Amendments and all documents incorporated by reference;
- (7) Whether the Offer limits the rights of the State;
- (8) Whether the Offer includes or is subject to unreasonable conditions, to include conditions upon the State necessary for successful Contract performance. The State shall be the sole determiner as to the reasonableness of a condition;
- (9) Whether the Offer materially changes the contents set forth in the Solicitation, which includes the Scope of Work, Terms and Conditions, or Instructions; and,
- (10) Whether the Offeror provides misleading or inaccurate information.

**5.7 Financial Stability**

The Offeror must be financially stable and able to substantiate the financial stability of its company. The State reserves the right to request additional documentation from the Offeror and to request reports on financial stability from independent financial rating services. If requested, current financial statements or other financial information deemed appropriate, must be provided within five (5) business days of request. The State reserves the right to reject any offer which does not demonstrate financial stability sufficient for the scope of this contract award.

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**5.8 Late Offers**

An Offer submitted after the exact Offer due date and time shall be rejected.

**5.9 Disqualifications**

An Offeror (including each of its principals) who is currently debarred, suspended, or otherwise lawfully prohibited from any public procurement activity shall have its Offer rejected.

**6.0 AWARD**

**6.1 Best Advantage to State**

The state intends to enter into negotiations with the highest qualified person(s) or firm(s) on the final list.

**6.2 Contract Document Consolidation**

At its sole option, following any contract award(s) the State may consolidate the resulting contract documents. Examples of such consolidation would include (i) reorganizing solicitation documents and those components of the Design Professional's Offer not pertaining to the Contract's operation; or (ii) excluding any components of the Design Professional's Offer that were not awarded. Contract document consolidation shall not materially change the Contract.

**6.3 Notice to Proceed**

Design Professionals shall commence with the performance of the Contract upon award and the Offer and Acceptance Form signed by the Procurement Officer or other authorized representatives as set forth in the Contract. Prior to receiving an executed Task Order, Design Professionals shall not commence any billable activities in the performance of the Contract.

**6.4 Evidence of Insurance Coverage**

Prior to commencing services under any awarded Contract, successful Design Professional(s) shall provide and maintain during the entire term of an awarded Contract, a certificate of insurance indicating the coverage stated in the Special Terms and Conditions of this solicitation.

**6.5 Contract Inception**

An Offer does not constitute a Contract nor does it confer any rights on the Offeror to the award of a Contract. A Contract is not created until the Offer is accepted in writing by the Procurement Officer's signature on the Offer and Acceptance form. A notice of award or of the intent to award shall not constitute acceptance of the Offer.

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**6.6 Effective Date**

The effective date of the Contract shall be the date that the Procurement Officer signs the Offer and Acceptance form or other official contract form, unless another date is specifically stated in the Contract.

**7.0 PROTESTS**

A protest shall comply with and be resolved according to Arizona Revised Statutes Title 41, Chapter 23, Article 9, and rules adopted thereunder. Protests shall be in writing and be filed with both the Procurement Officer of the purchasing agency and with the State Procurement Administrator. A protest of the Solicitation shall be received by the Procurement Officer before the Offer due date. A protest of a proposed award or of an award shall be filed within ten (10) days after the Procurement Officer makes the procurement file available for public inspection. A protest shall include:

- (1) The name, address, email address and telephone number of the interested party;
- (2) The signature of the interested party or its representative;
- (3) Identification of the purchasing agency and the Solicitation or Contract number;
- (4) A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
- (5) The form of relief requested.

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## STATEMENT OF WORK

### 1.0 INTRODUCTION

The objective of the State is to engage qualified firms to fulfill the role of Civil Engineer Design Services for on-call contracts with an initial term of one-year and options for up to four annual renewals.

It is the intent of the State to award up to a maximum ten (10) contracts for civil engineering services. Contracts shall be utilized by all Eligible Agencies and Cooperative Members.

### 2.0 BACKGROUND

The State of Arizona Department of Administration, (ADOA) has elected to hire multiple firm(s) (Engineers) to provide civil engineering services for maintenance and capital improvements projects of varying size and complexity consisting of but not limited to buildings, streets, parks, water and wastewater.

Engineer will assist ADOA in developing standards for system design and performance.

All design and construction will be dependent on the level of funding available.

### 3.0 SCOPE REQUIREMENTS

#### 3.1 General Requirements

3.1-A The projects will be directed by an Arizona Department of Administration (ADOA), General Services Division, Project Manager (PM), Eligible State Agencies and Cooperative Members on an as-needed negotiated fee basis. These fees will be based on the rates developed and accepted through this solicitation and award.

3.1-B The purpose of this Request for Qualifications (RFQu) is to obtain competitive Statements of Qualifications (SOQ) from qualified civil engineering firms. Services shall include, but not necessarily be limited to, civil engineering design services including inspection for compliance with the construction documents and applicable statutes and codes and other construction administration activities.

#### 3.2 **Specific Requirements: The Design Professional shall provide full Design and Construction Administration services required including but not limited to the following:**

##### 3.2-A Supporting Services

3.2-A-(01) Evaluation and documentation of as-built conditions.

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3.2-A-(02) Testing and investigation as required as a reimbursable service.

3.2-A-(03) Development of design standards for improvement and replacement of the state's building systems.

3.2-B Evaluation and Planning

3.2-B-(01) Assist in evaluation of existing systems and priorities for improvement and replacement.

3.2-B-(02) Assist in developing appropriate budgets for identified projects.

3.2-B-(03) Assist in determining schedule and phasing for identified projects.

3.2-C Design Services

3.2-C-(01) Conceptual designs and studies as required.

3.2-C-(02) Development of design standards.

3.2-C-(03) Schematic design with alternative approaches for owner consideration.

3.2-C-(04) Energy studies to assist owner in meeting energy conservation goals and current code requirements.

3.2-C-(05) Design Development including outline specifications developing upon the schematic design. Include a construction estimate and written life-cycle cost analysis for energy conservation features.

3.2-C-(06) Construction Documents conforming to all applicable codes and containing the appropriate level of detail for the project to be accurately bid and efficiently constructed, with an updated estimate of probable construction cost.

3.2-C-(07) Bidding assistance for competitively bid work or assistance in obtaining quotes from current state Job Order Contract vendors.

3.2-C-(08) Contract Administration and Construction Observation services as required to sufficiently warrant that the construction is accomplished in accordance with plans, specifications and codes.

**3.3 Schedule for Solicitation**

The following schedule has been prepared for this project.

**Last Day to Submit Questions: January 4, 2022, 3:00 PM, Arizona Time**

**Statement of Qualifications Due: January 11, 2022, 3:00 PM, Arizona Time**

**Anticipated Interviews: Week of January 18, 2022**

**Anticipated Award: January 31, 2022**

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### **3.4 State of Arizona Statutory Review Requirements**

- 3.4-A All design drawings and specifications will go through the State of Arizona Statutory Review Process which includes Code Compliance by a 3<sup>rd</sup> party plan review. Design Professional must be familiar with the International Energy Conservation Code IECC.
- 3.4-B Design Professional shall submit plans and specifications and changes thereof for the project to the General Services Division for statutory review and final approval. Design submittals shall be coordinated with the Project Manager.
- 3.4-C Plans and specifications one hundred (100) percent complete submitted for final statutory review shall be allowed one re-review to correct deficiencies. Any subsequent submission fees shall be paid by the The Design Professional firm in accordance with the Solicitation Performance Guarantee requirements. Plan Examiner re-review fee charges shall be deducted and reduce the Design Professional's next monthly invoice amount due by the amount of the charge.
- 3.4-D Design Professional shall provide an electronic copy of all CADD design backgrounds created for this project to the Owner upon project closeout.

## **4.0 DESIGN PROFESSIONAL REQUIREMENTS**

### **4.1 Licensing and Certifications**

- 4.1-A Registration as a Professional Engineer in the State of Arizona for this work.

### **4.2 Specific Laws**

- 4.2-A Applied use of International Code Council family of codes, the Americans with Disabilities Act, the National Electrical Code and all other applicable codes in Arizona. Design Professional shall review all applicable laws and codes in designing and preparing the construction documents.



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## SPECIAL TERMS AND CONDITIONS

*The Special Terms and Conditions modify the Uniform Terms and Conditions and its Appendices. It can modify them by replacing, deleting, appending to, or revising the text of an existing provision or by inserting a new paragraph into an existing article. No other document modifies or adds to the Uniform Terms and Conditions, except as may subsequently be otherwise and expressly agreed and incorporated by Contract Amendment.*

### 1.0 Definition of Terms

As used in the Contract, the terms listed below are defined as follows:

**1.1 Co-Op Buyer** “Co-Op Buyer” means a member of the State Purchasing Cooperative that has entered into a “Cooperative Purchasing Agreement” with the Arizona Department of Administration State Procurement Office under A.R.S. § 41-2632. Unless there is an applicable Cooperative Purchasing Agreement in effect at the time, a State Purchasing Cooperative member cannot be a Co-Op Buyer. For reference, “Co-Op Buyer” is to be construed as encompassing “eligible procurement unit” under A.A.C. R2-7-101(23).

NOTE: Membership in the State Purchasing Cooperative is open to all Arizona political subdivisions, including cities, counties, school districts, and special districts. Membership is also available to non-profit organizations, other state governments, the federal government and tribal nations. For reference, “non-profit organizations” are defined in A.R.S. § 41-2631(4) as any nonprofit corporation as designated by the IRS under section 501(c)(3) through 501(c)(6) of the tax code.

**1.2 Eligible Agency** “Eligible Agency” means any State of Arizona department, agency, university, commission, or board.

### 2.0 Contract Interpretation

No modifications to uniform terms and conditions section

### 3.0 Contract Administration and Operation

**3.1 Term of Contract** The term of the Contract will commence on the date indicated on the Acceptance and continue for a term not to exceed five (5) years unless canceled, terminated, or permissibly extended.

### 4.0 Costs and Payments

No modifications to uniform terms and conditions section

### 5.0 Contract Changes

No modifications to uniform terms and conditions section

### 6.0 Risk and Liability

**6.1 Indemnification Clause**

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers,

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officials, agents, and employees (hereinafter referred to as “Indemnitee”) from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys’ fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as “Claims”) for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers’ Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona.

This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

**6.2 Insurance Requirements**

- 6.2.1 Contractor and subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.
- 6.2.2 The Insurance Requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

**6.3 Minimum Scope and Limits of Insurance**

Contractor shall provide coverage with limits of liability not less than those stated below.

6.3.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000

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- Damage to Rented Premises \$50,000
- Each Occurrence \$1,000,000
- a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insured with respect to liability arising out of the activities performed by or on behalf of the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

6.3.2 Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

- Combined Single Limit (CSL) \$1,000,000
- a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insured with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

6.3.3 Workers' Compensation and Employers' Liability

- Workers' Compensation Statutory
- Employers' Liability
  - Each Accident \$1,000,000
  - Disease – Each Employee \$1,000,000
  - Disease – Policy Limit \$1,000,000
- a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

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6.3.4 Professional Liability (Errors and Omissions Liability)

- Each Claim \$2,000,000
- Annual Aggregate \$2,000,000
- a. In the event that the Professional Liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained, or an extended discovery period will be exercised, for a period of two (2) years beginning at the time work under this Contract is completed.
- b. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

**6.4 Additional Insurance Requirements**

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

- 6.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).
- 6.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

**6.5 Notice of Cancellation**

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

**6.6 Acceptability of Insurers**

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

**6.7 Verification of Coverage**

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as

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required by this Contract. An authorized representative of the insurer shall sign the certificates.

- 6.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.
- 6.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
- 6.7.3 All certificates required by this Contract shall be sent directly to the Department. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

**6.8 Subcontractors**

Contractor's certificate(s) shall include all subcontractors as insured under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverage for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

**6.9 Approval and Modifications**

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverage, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

**6.10 Exceptions**

In the event the Contractor or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Contractor or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

**7.0 Warranties**

No modifications to uniform terms and conditions section.

**8.0 State's Contractual Remedies**

No modifications to uniform terms and conditions section

**9.0 Contract Termination**

No modifications to uniform terms and conditions section

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**10.0 Contract Claims**

No modifications to uniform terms and conditions section.

**11.0 Design Professional Responsibilities**

No modifications to uniform terms and conditions section.

**12.0 Agency Responsibilities**

No modifications to uniform terms and conditions section.

**13.0 Data and Information Handling**

No modifications to uniform terms and conditions section.

**14.0 Information Technology Work**

**14.1 Background Checks**

Each of Contractor’s personnel who is an applicant for an information technology position must undergo the security clearance and background check procedure, which includes fingerprinting, as required by A.R.S § 41-710. Contractor shall obtain and pay for the security clearance and background check. Contractor personnel who will have administrator privileges on a State network must additionally provide identify and address verification and undergo State-specified training for unescorted access, confidentiality, privacy, and data security.

**14.2 Systems and Controls**

In consideration for State having agreed to permit Pass-Through Indemnities in lieu of direct indemnity, Contractor agrees to establish and keep in place systems and controls appropriate to ensure that State funds under this Contract are not knowingly used for the acquisition, operation, or maintenance of Materials or Services in violation of intellectual property laws or a third party’s intellectual property rights.

**14.3 Section 508 Compliance**

Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this Contract shall comply with A.R.S. § 18-131 and § 18-132 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

**14.4 Cloud Applications**

The following are required for Contractor of any “cloud” solution that hosts State data outside of the State’s network, or transmits and/or receives State data.

1. Submit a completed Arizona Baseline Infrastructure Security Controls assessment spreadsheet as found at: <https://aset.az.gov/resources/policies-standards-and-procedures>, and mitigate or install compensating controls for any issues of concern identified by State. Contractor is required to provide any requested documentation supporting the review of the assessment. The assessment shall be re-validated on a minimum annual basis.

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2. State reserves the right to conduct Penetration tests or hire a third party to conduct penetration tests of the Contractor’s application. Contractor will be alerted in advance and arrangements made for an agreeable time. Contractor shall respond to all serious flaws discovered by providing an acceptable timeframe to resolve the issue and/or implement a compensating control.
3. Contractor must submit copy of system logs from cloud system to State of AZ security team on a regular basis to be added to the State SIEM (Security Information Event Monitor) or IDS (Intrusion Detection System).

Contractor must employ a government-rated cloud compartment to better protect sensitive or regulated State data.

**End of Section**



Uniform Terms and  
Conditions  
Design Professional

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## Uniform Terms and General Conditions Design Professional

<b>1. DEFINITION OF TERMS</b>	
As used in the Contract, the terms listed below are defined as follows:	
<b>1.1. Additional Work</b>	“Additional Work” means the addition of any Work, not described as Basic Work, to be provided to the Agency by the Design Professional that is contemplated by, but not specifically described in, an Exhibit to this Contract. Compensation for Additional Work must be approved through a Change Order or Contract Amendment.
<b>1.2. Agency</b>	“Agency” is used with the same meaning as “State” in definition below.
<b>1.3. Agency Designated Representative</b>	“Agency Designated Representative” means the assigned representative of the Agency to monitor the progress and Schedules of the Work for the Project.
<b>1.4. Allowance</b>	“Allowance” means construction funds established by the Agency to compensate for a portion of the Work which cannot sufficiently be specified or determined. The Contractor shall place any and all Allowances within separate line items in the Contractor’s Contract Cost at time of offer submission.
<b>1.5. Application for Progress Payment</b>	“Application for Progress Payment” means Contractor and/or Contractor’s monthly invoice request for payment that includes any and all portions of the Work in a Contract that have been completed and accepted by the Agency for which an invoice has not been previously submitted in accordance with the requirements of the Contract Documents. Progress Payments for Contractor Work approved and certified by the Contractor and Agency signature, shall be paid less deductions to pay the expenses the Agency reasonably expects to incur in correcting a deficiency set for in an Agency written finding in accordance with A.R.S. §41-2577, and retained percentage in accordance with A.R.S. §41-2576.
<b>1.6. Application for Final Payment</b>	“Application for Final Payment” means Construction Contractor’s final invoice for payment. The Application for Final Payment shall meet all the requirements of Applications for Payment, but shall also include any and all remaining open invoices under the Contract. After a Construction Contractor’s Application for Final Payment is approved by the Agency, the Agency shall not release any additional payments to that Construction Contractor under the Contract.
<b>1.7. Arizona Procurement Code; A.R.S., A.A.C.</b>	“Arizona Procurement Code” means, collectively, Arizona





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	<p>Revised Statutes (abbreviated "A.R.S.") Title 41 Chapter 23, Section 2501, <i>et seq.</i>, and the rules promulgated thereunder, Arizona Administrative Code (abbreviated "A.A.C.") R2-7-101, <i>et seq.</i></p> <p>NOTE: There are frequent references to the Arizona Procurement Code throughout the Solicitation, therefore, you will need to be familiar with its provisions to be able to understand the Solicitation fully. Links for obtaining copies are given below.</p> <p>The Arizona Department of Administration State Procurement Office provides a reference compilation of the Arizona Procurement Code on its website:</p> <p><a href="https://spo.az.gov/administration-policy/state-procurement-resource/procurement-regulations">https://spo.az.gov/administration-policy/state-procurement-resource/procurement-regulations</a></p> <p>The Arizona State Legislature provides the official A.R.S. online at:</p> <p><a href="http://www.azleg.gov/arstitle/">http://www.azleg.gov/arstitle/</a></p> <p>The Office of the Arizona Secretary of State provides the official A.A.C. online at: <a href="http://www.azsos.gov/rules/arizona-administrative-code">http://www.azsos.gov/rules/arizona-administrative-code</a></p>
<b>1.8. Arizona TPT</b>	<p>"Arizona TPT" means Arizona Transaction Privilege Tax. For information, refer to the Arizona Department of Revenue (DOR) website at:</p> <p><a href="https://www.azdor.gov/business/transactionprivilegetax.aspx">https://www.azdor.gov/business/transactionprivilegetax.aspx</a></p>
<b>1.9. As-Builts</b>	<p>"As-builts" shall mean the marked-up version of the As-built Drawings and Specifications Contract Documents prepared by the Construction Contractor to record as-built conditions, current changes, and selections made during construction.</p>
<b>1.10. Attachment</b>	<p>"Attachment" means any item that the Offeror is required to submit as part of the provision of Services required to design or engineer or construct the Project, as detailed in Exhibit A.</p>
<b>1.11. Basic Work</b>	<p>"Basic Work" means the services to be provided to the Agency by the Design Professional described in an Exhibit.</p>
<b>1.12. Bidding Documents</b>	<p>"Bidding Documents" means those documents prepared and furnished by the Design Professional for the purpose of obtaining bids from Construction Contractors to construct the Work.</p>
<b>1.13. Building Work</b>	<p>"Building Work" means everything covered by the definitions</p>



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	in A.R.S. § 41-2503 [Definitions] of the terms “construction” (para. 4), "maintenance services" (para. 26), and "operations services" (para. 28).
<b>1.14. Change Order</b>	“Change Order” means the instrument by which the Agency authorizes Construction Contractor to perform some or all of the Work, including but not limited, Construction Change Orders, Design Change Notices, and Field Order Directives. Consistent with A.R.S. § 41-2503(3), only the Procurement Officer responsible for this Contract has the authority to modify or amend this Contract through a signed Change Order or Contract Amendment. The Agency will only compensate Construction Contractor for Work that has been approved by the Agency through a fully authorized Change Order or Contract Amendment.
<b>1.15. Close Out Documents</b>	“Close Out Documents” means those items required by Exhibit M-Contractor Project Closeout, and as may be further defined, identified, and required by the Contract Documents.
<b>1.16. Conditional Waiver of Lien</b>	“Conditional Waiver of Lien” has the meaning defined in A.R.S §33-1008 which, for convenience of reference only, is a:  Conditional Waiver and release on Progress Payment “where the claimant is required to execute a waiver and release in exchange for or in order to induce the payment of a progress payment and the claimant is not in fact paid in exchange for the waiver and release or a single payee check or joint payee check is given in exchange for the waiver and release”; and  Conditional Waiver and release on Final Payment “where the claimant is required to execute a waiver and release in exchange for or in order to induce payment of a final payment and the claimant is not paid in exchange for the waiver and release or a single payee check or joint payee check is given in exchange for the waiver and release”.
<b>1.17. Construction</b>	“Construction” as defined in A.R.S. § 41-2503(4) means the process of building, altering, repairing, improving or demolishing any public structure or building or other public improvements of any kind to any real property in which the public has an interest.
<b>1.18. Construction Contract</b>	“Construction Contract” means any contract between the State and a Person that has or will engage in Construction Services for the benefit of the State.



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<b>1.19. Construction Contractor</b>	“Construction Contractor” is a Person that has or had a contract with the State to engage in Construction Services for the benefit of the State.
<b>1.20. Construction Documents</b>	“Construction Documents” means any and all documents created by the Design Professionals that describe the Work in detail, including but not limited to, plans, specifications, revisions, addenda, and Change Orders, issued to build the project. Construction Documents created after the Contract is signed may be integrated into the Contract if, and only if, there is a properly executed Contract Amendment or Change Order to verify that integration.
<b>1.21. Contingency</b>	“Contingency” means an amount associated with Costs that were unforeseen by the Contractor when it submitted its offer which may be authorized by the Agency through a Change Order. Contractor may not proceed with Work on Contingencies without prior authorization from the Agency through a Field Order Directive or Change Order. The Agency will not compensate Contractor for unauthorized Contingency Work.
<b>1.22. Contract</b>	“Contract” means, collectively, the entire agreement between Agency and Design Professional and/or Construction Contractor, including all of the Contract Documents, the Acceptance, the Solicitation Documents, any and all authorized Change Orders, and any Contract Amendments. The Contract is identified as a “Purchase Order” in APP, since that is the terminology used in the software. The terms of this Contract are defined in this document alone. The use of different terminology, or the same terminology with a different meaning, in any State eProcurement system (including, but not limited to, APP) does not override any term in this Contract. The Design Professional and/or Construction Contractor should contact the relevant Procurement Officer if it has any questions regarding the meaning of terms in the State’s eProcurement system.
<b>1.23. Contract Amendment</b>	"Contract Amendment" means a document signed by Procurement Officer that has been issued for the purpose of making changes to the Contract after execution without changing the general scope. Only the Procurement Officer responsible for this Contract has the authority to modify or amend this Contract. The term “Change Order” in APP is synonymous with “Contract Amendment.”
<b>1.24. Contract Cost</b>	“Contract Cost” means the amount for which a Design Professional and/or Construction Contractor agrees to



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	perform the Work as set forth in its Contract with the Agency.
<b>1.25. Contract Terms and Conditions</b>	“Contract Terms and Conditions” means the <u>Special Terms and General Conditions</u> and these Uniform Terms and General Conditions taken collectively.
<b>1.26. Contractor</b>	For the purpose of this Contract, “Contractor” refers to any Person who has entered into a Contract with the Agency, including, but not limited to, a Design Professional or Construction Contractor.
<b>1.27. Contractor Indemnitor</b>	“Contractor Indemnitor” means Contractor and/or any of its owners, officers, directors, agents, employees, or Subcontractor and/or Subconsultants and, if applicable, their respective spouses.
<b>1.28. Cost</b>	<ol style="list-style-type: none"> <li>1) “Cost” as defined by A.R.S. § 41-2571(2), means the aggregate Cost of all Materials and services, including labor performed by force account. The Agency shall only pay for expenses explicitly authorized as part of the Work under the Contract.</li> <li>2) For any changes, subject to Markup, in the Work or additional charges sought by Construction Contractor under the contract, “Cost” shall only mean actual direct labor, material, and service Costs incurred by Construction Contractor at the construction site and which are necessary to complete the Work. Such Costs shall include those from subcontractors, vendors, and material suppliers.</li> <li>3) Costs, for the purpose of this section, shall exclude markup for, including but not limited to, Costs incurred for general conditions, bonds, insurance, contingency, overhead or profit.</li> </ol>
<b>1.29. Cost of Work</b>	“Cost of Work” means the sum of the Costs the Design Professional and/or Construction Contractor necessarily incurred and paid in the proper performance of the Work.
<b>1.30. Day</b>	“Day” means a calendar day unless otherwise specified in a particular context.
<b>1.31. Design Change Notice</b>	“Design Change Notice” refers to an agreement that records a change to the time for Work completion, price, and/or change in design after the initial completion of the design was reviewed and approved by the Statutory Review. The purpose of the Design Change Notice is to ensure: the changes are re-reviewed and approved by Statutory Review and the Procurement Officer; and the Contract Documents are revised in a manner that is consistent with the Design Requirements under the Contract.
<b>1.32. Design Professional</b>	“Design Professional” means the individual or firm with which the Agency has entered into a written Design Professional Services Contract.
<b>1.33. Design Professional Services</b>	“Design Professional Services” as defined in A.R.S. § 41-2571(4), means architect services, engineer services, land



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	surveying services, geologist services or landscape architect services or any combination of those services performed by or under the supervision of a Design Professional or employees or Subconsultants of the Design Professional.
<b>1.34. Design Professional Service Contract</b>	“Design Professional Service Contract” shall be the executed Exhibit A
<b>1.35. Design Requirements</b>	<p>"Design Requirements" means, at a minimum, the purchasing Agency's written description of the Work by the Design Professional including: the required features, functions, characteristics, qualities and properties; the anticipated Schedules, including start, duration and completion; and estimated budgets applicable to the specific procurement for design and Construction and, if applicable, for operation and maintenance and plans and specification for the project.</p> <p>“Design requirements” may also include the following, at the purchasing Agency’s discretion: Drawings and other documents illustrating the scale and relationship of the features, functions and characteristics of the project, which shall all be prepared by a design professional who is registered pursuant to A.R.S. § 32-121; and/or additional design information or documents.</p>
<b>1.36. Drawings</b>	“Drawing” means the Work product of the Design Professional which graphically depicts the Work.
<b>1.37. Estimated Project Construction Cost</b>	“Estimated Project Construction Cost” shall mean Design Professional's written estimate in the form specified by the Agency of the total Construction Cost of the Project at the various stages of the design process.
<b>1.38. Excusable Delay</b>	“Excusable Delay” means a delay to the Schedules approved by the Agency and Design Professional through a Change Order that entitles the Construction Contractor to an adjustment of the Contract time for Substantial Completion, but not an adjustment of the Contract Cost.
<b>1.39. Exhibit</b>	“Exhibit” means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Contract Documents.
<b>1.40. Field Order Directive</b>	“Field Order Directive” refers to written directives used in advance of a Construction Change Order, as more specifically prescribed in these Uniform Terms and General Conditions.
<b>1.41. Final Completion</b>	“Final Completion” means the date upon which the Work is complete in accordance with the terms and conditions of the Contract, including punch list items. The date of Final



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	Completion shall be set by the Agency as a certain number of days after Substantial Completion. Any additional or supplemental Work after this date due to Construction Contractor error or omission shall be completed by the Construction Contractor without additional compensation.
<b>1.42. Final Completion Certificate</b>	The “Final Completion Certificate-Exhibit L” is the certificate issued by the Design Professional and/or the Agency Designated Representative that documents, to the best of the Design Professional’s and/or the Agency Designated Representative’s knowledge and understanding, that Construction Contractor has completed all Work required by the Contract Documents, including, but not limited to: all of the Punch List items and pre-final Punch List items for which it is responsible; final cleanup; and Construction Contractor’s provision of Record Documents, operations manuals, maintenance manuals, and any and all other Close Out Documents required by the Contract Documents and list on Exhibit M-Contractor Project Closeout.
<b>1.43. Final Payment</b>	“Final Payment” means the last and final monetary compensation the Agency will make to Construction Contractor for any portion of the Project including any Work that has been completed and accepted for which payment has not been made, amounts owing to adjustments to the final Contract Sum resulting from approved Change Orders, and release of Construction Contractor’s retainage if any.
<b>1.44. General Conditions of Contractor</b>	“General Conditions of Contractor” means the Construction Contractor’s resources, equipment, and items used by the Construction Contractor in the Work of the Project that is used to complete the Project. The General Conditions Fee will be based on actual itemized, documented Cost.
<b>1.45. Gratuity</b>	“Gratuity” means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
<b>1.46. Hazardous Waste; Release</b>	“Release” means any discharging, disposing, dumping, emitting, emptying, escaping, injecting, leaching, leaking, pouring, pumping, releasing, spilling, or similar action or event.  “Construction Contractor Hazardous Waste Release” means any Release of a Hazardous Substance on Agency’s property or adjoining property during the Work arising, in whole or in part, from acts or omissions of Construction Contractor or any Subcontractor.



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<b>1.47. Hazardous Substance</b>	<p>“Hazardous Substance” means a substance, material or hazardous waste which, by reason of being explosive, flammable, poisonous, corrosive, oxidizing, irritating or otherwise harmful, is likely to cause death or injury.</p>
<b>1.48. Hazardous Waste</b>	<p>“Hazardous Waste” means “hazardous waste”, as defined in the Resource Conversation and Recovery Act of 1976 and the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) and any successor statutes and any regulations, rules or guidelines promulgated pursuant thereto as in effect from time to time (including, without limitation, any such waste resulting from removal of, demolition or modifications of or additions to part or all of any existing structure, facility or equipment).</p> <p>“Contractor Hazardous Waste” means any Hazardous Waste arising during or from Work that is generated, in whole or in part, by the acts or omissions of Construction Contractor or a Subcontractor and/or Subconsultants.</p>
<b>1.49. Indemnified Basic Claims</b>	<p>“Indemnified Basic Claims” means any and all claims, actions, liabilities, damages, losses, or expenses, including court Costs, expert fees, attorneys’ fees, and Costs of claim processing, investigation and litigation, for any and all damage or equitable claims made against the Agency, including, but not limited to, personal injuries, death, property damages (real, personal, tangible or intangible), and injunctive relief. See paragraph 6.2.</p>
<b>1.50. Instructions to Offerors</b>	<p>“Instructions to Offerors” is part of the Solicitation Documents.</p>
<b>1.51. Materials</b>	<p>“Materials” means, as defined in A.R.S. § 41-2503(7) “all property, including equipment, supplies, printing, insurance, and leases of property [but] does not include land, a permanent interest in land or real property or leasing space.”</p> <p>“Materials” includes software, unless the software is sold or provided as a service under the Contract. Software sold or provided as a service under the Contract is both a Material (to the extent it consists of encoded information or computer instructions) and a service, as described in “Services”.</p>
<b>1.52. Negotiation</b>	<p>“Negotiation” means, as defined in A.A.C. R2-7-101(32), an exchange or series of exchanges between the Agency and an offeror or Design Professional and/or Construction Contractor that allows the Agency or the offeror or Design Professional and/or Construction Contractor to revise an offer or Contract, unless revision is specifically prohibited by the Arizona Procurement Code.</p>



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<b>1.53. Notice to Cure</b>	“Notice to Cure” means a written letter from a Procurement Officer to cure an event of default and/or an anticipatory breach of Contract setting forth a time limit in which the cure is to be completed or commenced and diligently prosecuted.
<b>1.54. Notice to Proceed</b>	“Notice to Proceed” means the written document from the Project Manager, by letter or email, informing Design Professional and/or Construction Contractor of the date designated as the date of commencement of construction and the date of Substantial Completion.
<b>1.55. Offer and Acceptance Form</b>	“Offer and Acceptance Form” means the document bearing the State Contract number once Procurement Officer has signed it to signify (a) Agency’s formal acceptance of the negotiated offer from the Design Professional and (b) the formation of the Contract. For clarity of intent, the foregoing is not to be confused with the term “acceptance” used throughout the Contract in the context of delivery, inspection, etc., with respect to Materials or Services.
<b>1.56. Part, Section; Exhibit</b>	“Part,” “Section,” and “Exhibit” are each defined in the <u>Instructions to Offerors</u> .
<b>1.57. Payment Bond</b>	“Payment Bond” means a bond issued by a surety authorized to transact business in this State, issued in the amount for the Contract Cost and is payable to Agency, solely for the protection and use of payment bond beneficiaries pursuant to A.R.S. § 41-2574.
<b>1.58. Performance Bond</b>	“Performance Bond” means a bond issued by a surety authorized to transact business in this State, issued in the amount for the Contract Cost and is payable to State, to guarantee the faithful performance of the Work by the Construction Contractor in accordance with the Contract Documents pursuant to A.R.S. § 41-2574.
<b>1.59. Person</b>	“Person” means any corporation, business, individual, firm, partnership, association, union, committee, club, or other organization or group of individuals.
<b>1.60. Preconstruction Services</b>	“Preconstruction Services” means services and other activities during the design phase.
<b>1.61. Procurement Officer</b>	“Procurement Officer” means the person, or his or her designee, who has been duly authorized by Agency to enter into and administer the Contract and to make written determinations with respect to the Contract. Procurement Officer is as identified on the Acceptance unless subsequently changed by Contract Amendment.





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<b>1.62. eProcurement System (currently APP)</b>	1) "eProcurement System" means the State's official electronic procurement system, established pursuant to A.A.C. R2-7-201, as set forth in the Arizona Department of Administration ("ADOA") State Procurement Office policy. This eProcurement System may be subject to change. The State's current eProcurement system is "APP." The current version of the ADOA policy regarding the State's eProcurement System is <i>Technical Bulletin No. 020, APP – The Official State eProcurement System</i> . 2) NOTE (1): Technical Bulletin No. 020 is available online at: <a href="https://spo.az.gov/administration-policy/state-procurement-resource/procurement-regulations">https://spo.az.gov/administration-policy/state-procurement-resource/procurement-regulations</a> 3) NOTE (2): The URL for APP itself is: <a href="https://appstate.az.gov/">https://appstate.az.gov/</a>
<b>1.63. Product Data</b>	"Product Data" means illustrations, Schedules, performance charts, instructions, brochures, diagrams and other information furnished by the Design Professional and/or Construction Contractor to illustrate Materials or equipment for some portion of the Work.
<b>1.64. Project</b>	"Project" means any and all activities necessary for realization of the Work. This includes but is not limited to design, Contract award(s), execution of the Work itself, and fulfillment of all Contract and warranty obligations.
<b>1.65. Change Order Request</b>	"Change Order Request" means a document that informs Agency of a proposed change in the Work and appropriately describes or otherwise documents such change including Construction Contractor(s)'s response of pricing for the requested change.
<b>1.66. Punch List</b>	"Punch List" means a list of items of Work to be completed or corrected by Construction Contractor after Substantial Completion. Punch Lists indicate items to be finished, remaining Work to be performed, or minor Work that does not meet quality or quantity requirements as required in the Contract Documents.
<b>1.67. Record Documents</b>	The term "Record Documents" shall mean those documents including, but not limited to, the updated version of the Construction Documents prepared by the Design Professional incorporating any Attachments, Exhibits, Change Orders, and information from the As-Builts and other data furnished by Construction Contractors to the Design Professional.
<b>1.68. Request for Information</b>	"Request for Information" (RFI) means a written request by Construction Contractor directed to Design Professional or Agency Designated Representative for a clarification of the information provided in the Contract Documents or direction concerning information necessary to perform the Work that



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	may be omitted or unclear from the Contract Documents.
<b>1.69. Reimbursable Expenses</b>	<p>“Reimbursable Expenses” means a limited range of direct, actual Costs approved by the Agency for which the Design Professional can receive compensation under the Contract for amounts expended in the interest of the Project. Unless otherwise detailed in the Scope of Work or limited by other State policies, and subject to review and approval by the Agency, the following, and only the following, are the categories of Costs which may be Reimbursable Expenses:</p> <p>Subject to the Cost limitation of the State of Arizona Travel Policy, transportation Costs accrued in furtherance of Work and under the Contract and Agency authorized out-of-town travel and subsistence;</p> <p>Fees paid to governmental entities that ensure State compliance with any applicable laws or codes;</p> <p>Costs paid toward reproduction, plots, standard form documents, postal charges;</p> <p>If requested and approved by the Agency, Costs paid for surveys, requests and special requests.</p> <p>Design Professional shall not exceed the approved Reimbursable Expense amount stated in the Contract without prior written approval of the Agency through a Contract Amendment.</p>
<b>1.70. Samples</b>	<p>“Samples” mean representative physical examples of Materials, equipment, or workmanship used to confirm compliance with requirements and/or to establish standards for use in execution of the Work.</p>
<b>1.71. Schedule</b>	<p>“Schedule” means the timetable which sets forth pertinent milestones, reviews, critical path of activities and other deadlines for timely completion of the Work for the Project prepared by Design Professional or Construction Contractor and accepted by Agency. The Schedule shall not exceed the time limit current under the Contract Documents unless approved by Agency through a Contract Amendment.</p>
<b>1.72. Schedule of Values</b>	<p>“Schedule of Values” means the detailed breakdown of the original Contract Cost for the Materials, labor, and equipment necessary to accomplish the Design and/or Construction Work.</p>
<b>1.73. Scope of Work</b>	<p>“Scope of Work” means the Requirements Document of the Solicitation Documents. Scope of Work is inclusive of the Project program for design Work and the Construction</p>



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	Documents for performance of the construction Work.
<b>1.74. Secure Locations</b>	“Secure Locations” means those buildings and grounds (Sites) that require specific security-related criteria where access to the Work Site or the Site’s daily operations negatively affects the Construction Contractor’s productivity on a daily basis.
<b>1.75. Services</b>	“Services” as defined in A.R.S. § 41-2503(35), means “the furnishing of labor, time, or effort by [the] [C]ontractor or [S]ubcontractor which does not involve the delivery of a specific end product other than required reports and performance [but] does not include employment agreements or collective bargaining agreements.” Services includes Building Work and the service aspects of software described in “Materials”
<b>1.76. Shop Drawings</b>	“Shop Drawings” mean the drawings, diagrams, illustrations, Schedules, performance charts, brochures, and other data prepared by Construction Contractor or its Subcontractors which detail a portion of the Work.
<b>1.77. Site</b>	“Site” means the geographical location of the Work for the Project.
<b>1.78. Solicitation; Solicitation Documents</b>	“Solicitation” and “Solicitation Documents” are defined in the <u>Instructions to Offerors</u> .
<b>1.79. Special Terms and General Conditions</b>	“Special Terms and General Conditions” are contained in the Solicitation Documents.
<b>1.80. Specification</b>	“Specification” has the meaning given in A.R.S. § 41-2561, which, for convenience of reference only, is “... any description of the physical or functional characteristics, or of the nature of a material, service or construction item. Specification may include a description of any requirement for inspecting, testing or preparing a material, service or construction item for delivery.” Specifications (if any are included in the Contract), are indexed in the <u>Scope of Work</u> and could be bound separately from the other documents forming the Contract.
<b>1.81. State</b>	With respect to the Contract generally, “State” means the State of Arizona and its department, agency, university, commission, or board that has executed the Contract. With respect to administration or rights, remedies, obligations and duties under the Contract for a given Order, “State” means each eligible Agency who has issued the Order.
<b>1.82. State Indemnitees</b>	“State Indemnitees” means, collectively, the State of Arizona, its departments, agencies, universities, commissions, and



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	boards and, and their respective officers, agents, and employees.
<b>1.83. State Fiscal Year</b>	“State Fiscal Year” means the period beginning each July 1 and ending each June 30.
<b>1.84. Stipulated Sum (Fixed Price/Lump Sum)</b>	“Stipulated Sum (Fixed Price/Lump Sum)” means the complete and total amount the Construction Contractor is obligated to complete the Work barring unforeseen conditions, Agency change to the Scope of Work, or other circumstances set forth in the Contract.
<b>1.85. Subconsultant</b>	“Subconsultant” as defined in A.R.S. § 41-2571, means any person, firm, partnership, corporation, association or other organization, or a combination of any of them, that has a direct Contract with Design Professional or another Subconsultant to perform a portion of the Work.
<b>1.86. Subcontract</b>	“Subcontract” means any contract, express or implied, between Contractor and another party or between a Subcontractor and/or Subconsultant and another party delegating or assigning, in whole or in part, the making or furnishing of any Materials, the performing of any Services, or the carrying out of any other aspect of the Work.
<b>1.87. Subcontractor</b>	“Subcontractor” as defined in A.R.S. § 41-2503(38), is “... a person who contracts to perform Work or render service to ... [C]ontractor or to another [S]ubcontractor as a part of a Contract with an Agency governmental unit . . .” The Contract is to be construed as “a Contract with a Agency governmental unit” for purposes of the definition. Any Person carrying out an element of the Work who is neither a Contractor nor a representative of the State is a Subcontractor from the moment that Person first carries out that element of the Work, regardless of whether a Contract exists between that Person and the Contractor, then or subsequently.
<b>1.88. Submittal Register</b>	“Submittal Register” means a list provided by Construction Contractor of all items to be furnished for review and approval by Design Professional and/or Agency and as identified in the Contract Documents including submittal dates.
<b>1.89. Substantial Completion</b>	“Substantial Completion” means the date determined and certified by the Design Professional’s and/or Agency Designated Representative’s signature, when the Work, or a designated portion thereof, is sufficiently complete, in accordance with the Contract, so as to be operational, fit for the use intended, and so the Agency may occupy the Work.



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<b>1.90. Unconditional Waiver of Lien</b>	<p>“Unconditional Waiver of Lien” has the meaning defined in A.R.S. §33-1008. An Unconditional Waiver of Lien on Progress Payment is “where the claimant is required to execute a waiver and release in exchange for or in order to induce the payment of a Progress Payment and the claimant asserts in the waiver that it has been paid the Progress Payment”. Unconditional Waiver of Lien on Final Payment is “where the claimant is required to execute a waiver and release in exchange for or in order to induce payment of a Final Payment and the claimant asserts in the waiver that it has been paid the Final Payment”.</p>
<b>1.91. Uniform Terms and Conditions</b>	<p>The “Uniform Terms and General Conditions” are made up of this document and whichever of the <u>Appendices</u> are indicated in the <u>Special Terms and General Conditions</u> as being applicable.</p>
<b>1.92. Unit Price Work</b>	<p>“Unit Price Work” means the Work, or a portion of the Work, paid for based on incremental units of measurement.</p>
<b>1.93. Work</b>	<p>“Work” means the totality of the Materials and the Services and all the acts of administration, creation, production, and performance necessary to fulfill and incidental to fulfilling all of Contractor(s)’s obligations and duties under the Contract in conformance with the Contract and applicable laws. "Work" shall refer to any and all authorized Basic and/or Additional Work.</p>
<b>1.94. Progress Schedule</b>	<p>“Progress Schedule” means the continually updated time Schedule prepared and monitored by Construction Contractor that accurately indicates all necessary appropriate revisions as required by the conditions of the Work and the Project while maintaining a concise comparison to the overall Schedule.</p>
<b>2.0 Contract Interpretation</b>	
<b>2.1 Arizona Law</b>	<p>The Contract is governed by, and is to be interpreted in accordance with, the laws of the State of Arizona, including, but not limited to the Arizona Procurement Code, without consideration of conflict of laws principles.</p>
<b>2.2 Contract Order of Precedence</b>	<p>1) <b>COMPLEMENTARY DOCUMENTS.</b> All of the documents forming the Contract are complementary and all provisions are to be interpreted as a single, united contract. If certain Work, requirements, obligations, or duties are set out only in one but not in another, Construction Contractor shall carry out the Work as though the relevant Work, requirements, obligations, or duties had been fully described in all, consistent with the</p>



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	<p>other documents forming the Contract and as is reasonably inferable from them as being necessary to produce complete results.</p> <p>2) <b>CONFLICTS.</b> In case of any inconsistency, conflict, or ambiguity among the documents forming the Contract and their provisions, Contractor shall i) provide the better quality or greater quantity of Work or ii) comply with the more stringent requirements. If the foregoing requirements do not resolve the issue of inconsistency, conflict, or ambiguity, then the following contract documents and their provisions are to prevail in the following order, descending from most dominate to most subordinate, provided that, among categories of documents or provisions within the same sub-section below, the document or provision with the latest date prevails; information being identified in one document but not in another is not to be considered a conflict or inconsistency:</p> <ul style="list-style-type: none"> <li>a) Change Orders, in reverse chronological order;</li> <li>b) Solicitation Documents, in this order:             <ul style="list-style-type: none"> <li>i) Special Terms and Conditions;</li> <li>ii) Exhibits to the Special Terms and Conditions;</li> <li>iii) Federal Terms and Conditions (for any Projects with federal funding)</li> <li>iv) Uniform Terms and Conditions;</li> <li>v) Scope of Work;</li> <li>vi) Exhibits to the Scope of Work; and</li> <li>vii) Any other documents referenced or included in the Solicitation;</li> </ul> </li> <li>c) Accepted Offer</li> <li>d) Any Contract created as a result of an IGA and Project Proposal including Task Orders, Attachments, Exhibits, and Schedules created as part of, or under any Contract;</li> <li>e) Design Requirements;             <ul style="list-style-type: none"> <li>i) Specifications</li> <li>ii) Drawings (given dimensions take precedence over scaled measurements);</li> </ul> </li> <li>f) Notice to Proceed; and</li> <li>g) Schedule</li> </ul>
<b>2.3 Implied Terms</b>	Each provision of law and any terms required by law to be in the Contract are a part of the Contract as if fully stated in it.
<b>2.4 References to Statute</b>	The above Definitions of Terms includes statutory language for convenience. If any definition in the Contract references a statute without modification, the current statutory language, not the stated definition in the Contract, will take priority in any interpretation of the Contract.
<b>2.5 Usage</b>	<p>1) Where the Contract:</p> <ul style="list-style-type: none"> <li>a) Assigns obligations to the Design Professional, any reference to “Design Professional” is to be construed to be a reference to “Design Professional” and all Subconsultants and/or Subcontractors whether or not they are first-tier, suppliers, sub-</li> </ul>



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	<p>suppliers, consultants, or sub-consultants, as well as all of Design Professional's and the Subconsultant's and/or Subcontractor's respective agents, representatives, and employees" in every instance unless the context plainly requires that it is a reference only to Design Professional as apart from Subconsultants and/or Subcontractors;</p> <ul style="list-style-type: none"> <li>b) Uses the permissive "may" with respect to a party's actions, determinations, etc., the term is to be interpreted as in A.A.C. R2-7-101(31) [Definitions]. For clarity of intent, any right given to State using "State may" or a like construction, denotes discretion and freedom to act so far as any regulatory or operative constraints permit in the relevant circumstances, provided that the State's discretion extends to whatever is in the best interest of the State;</li> <li>c) Uses the imperative "shall" with respect to a party's actions, duties, etc., the term is to be interpreted as in A.A.C. R2-7-101(43) [Definitions]. Conversely, the phrase "shall not" is to be interpreted as an imperative prohibition;</li> <li>d) Uses the term "must" with respect to a requirement, criterion, etc., the term is to be interpreted as conveying compulsion or strict necessity, and is to be read as though written "must, if [the subject] is to be entitled to have [the object] considered or credited as being compliant with, conforming to, or satisfying [the requirement, criterion, constraint, etc.], otherwise, [the object] will be considered or debited as being non-compliant, non-conforming, or unsatisfactory for its Contract-related purposes" in every instance;</li> <li>e) Uses the term "might" with respect to an event, outcome, action, etc., the term is to be interpreted as conveying contingency or non-discretionary conditionality; and</li> <li>f) Uses the term "will" or the phrases "is to be" or "are to be" with respect to an event, outcome, action, etc., the term or phrase is to be interpreted as conveying such certainty or imperativeness that "shall" is either unnecessary or irrelevant in that instance.</li> </ul>
<p><b>2.6 Independent Contractor</b></p>	<p>Design Professional is an Independent Contractor and shall act in an independent capacity in performance under the Contract. Neither party is or is to be construed as being to be the employee or agent of the other party, and no action, inaction, event, or circumstance will be grounds for deeming it to be so.</p>
<p><b>2.7 Severability</b></p>	<p>The provisions of this Contract are severable to the extent allowed under Arizona contract law. Any term or condition deemed or adjudged illegal or invalid is thereby stricken from the Contract and will not affect any other term or condition of the Contract.</p>
<p><b>2.8 Complete Integration</b></p>	<p>The Contract, including any documents incorporated into the Contract by reference and any authorized Contract Amendments and Change Orders, is intended by the parties to be a final and complete expression of their agreement. There are no prior, contemporaneous, or additional agreements, either oral or in writing, pertaining to the Contract. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing can independently bind the Agency to changes to the Contract. The Agency may avoid any</p>



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<p><b>2.9 No Waiver of Rights</b></p>	<p>unauthorized modifications to the Contract.</p> <p>Either party's failure to insist on strict performance of any term or condition of the Contract is not, and is not to be construed as being, nor will it be deemed, a waiver of that term or condition or a bar to, or diminishment of the right of, subsequent enforcement of any term or condition.</p>
<p><b>3.0 Contract Administration and Operation</b></p>	
<p><b>3.1. Term of Contract</b></p>	<p>The term of the Contract will commence on the date indicated on the Acceptance and continue for the period specified in the <u>Special Terms and General Conditions</u> unless canceled, terminated, or permissibly extended. If the <u>Special Terms and General Conditions</u> do not specify a period, then the Contract will remain in force for that period required for Final Completion of the Work for the Project, including required extensions thereto, unless discontinued by any of the several provisions contained elsewhere in the Contract, but no longer than 5 years total. Agency has no obligation to extend or renew the Contract past the initial term.</p>
<p><b>3.2. Contract Extensions</b></p>	<p>Agency may at its discretion extend the initial Contract term in increments of one or more months and do so one or more times, provided that, the maximum aggregate term of the Contract including extensions cannot exceed the period specified in the Special Terms and Conditions. If the Special Terms and Conditions do not specify a period, then a reasonable period of time, but no more than an aggregate of 5 (five) years. Nothing herein shall negate Contractor's obligation to continuously perform the Work with adequate manpower and due diligence.</p>
<p><b>3.3. Notices and Correspondence</b></p>	<ol style="list-style-type: none"> <li>1) TO DESIGN PROFESSIONAL. Unless stated otherwise in the <u>Special Terms and General Conditions</u>, Agency shall:             <ol style="list-style-type: none"> <li>a) Address all Contract correspondence other than formal notices to the email address indicated as "Default for Type" for "General Mailing Address" in Design Professional's corresponding APP Vendor Profile; and</li> <li>b) Address any required notices to Design Professional to the "Contact Name and Title" at the "Mailing Address" indicated in the Contract Documents.</li> </ol> </li> <li>2) TO AGENCY. Unless stated otherwise in the Special Terms and General Conditions, Design Professional shall:             <ol style="list-style-type: none"> <li>a) Address all Contract correspondence and formal notices to the Agency Procurement Officer indicated in Exhibit A "Agreement."</li> <li>b) CHANGES. Agency may change the designated Procurement Officer, update contact information, or change the applicable mailing address.</li> </ol> </li> <li>3) Notice is deemed served when emailed or mailed.</li> </ol>





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<p><b>3.4. Contractor Performance Evaluation</b></p>	<p>The Agency may evaluate the Contractor’s performance during the progress of the Work, at completion of a phase of Work for the Project, completion of the Work, or any of the foregoing. The Agency shall retain the evaluation(s) in the procurement file. The Agency will use the evaluation(s) in determining the responsibility of the Contractor for any award of a future contract for the next five (5) years. If the Contractor or any of the Contractor’s Subconsultants and/or Subcontractors commit a breach of the contract for the project, the Agency will use the responsibility analysis for future projects for five (5) years after the date of breach of the Contractor’s Subconsultants and/or Subcontractors (where applicable) for future contract awards with the Agency or subcontracts on Agency Projects. Contractor may comment or take exception to any rating in accordance with the Agency’s protest policies.</p>
<p><b>3.5. Signing of Contract Amendments</b></p>	<ol style="list-style-type: none"> <li>1) Counter-signature – or “approval” in APP, in the case of a Change Order – is not required to give effect if the Contract Amendment only covers either:             <ol style="list-style-type: none"> <li>g) Extension of the term of the Contract within the maximum aggregate term;</li> <li>h) Revision to Procurement Officer appointment or contact information; or</li> <li>i) Modifications of a clerical nature that have no effect on terms, conditions, price, scope, or other Material aspect of the Contract.</li> </ol> </li> <li>2) In every case other than those listed in a), b), and c) above, the signatures of all required parties – or “approval” in APP, in the case of a Change Order – is necessary to give it effect.</li> <li>3) If the initial scope of the Project is changed materially by the Agency, the compensation will be equitably adjusted through negotiation upon execution of a Contract Amendment.</li> </ol>
<p><b>3.6. Click-Through Terms and Conditions</b></p>	<p>Unless expressly stated otherwise in the <u>Special Terms and Conditions</u>, if either party uses a web based ordering system, an electronic purchase order system, an electronic order acknowledgement, a form of an electronic acceptance, or any software based ordering system with respect to the Contract (each an “Electronic Ordering System”), the parties acknowledge and agree that an Electronic Ordering System is for ease of administration only, and Contractor is hereby given notice that the persons using Electronic Ordering Systems on behalf of Agency do not have any actual or apparent authority to create legally binding obligations that vary from the terms and conditions of the Contract. Accordingly, where an authorized Agency user is required to “click through” or otherwise accept or be made subject to any terms and conditions in using an Electronic Ordering Systems, any such terms and conditions are deemed void upon presentation. Additionally, where an authorized Agency user is required to accept or be made subject to any terms and conditions in accessing or employing any Materials or Services, those terms and conditions will also be void.</p>
<p><b>3.7. Books and Records</b></p>	<ol style="list-style-type: none"> <li>1) RETAIN RECORDS. By A.R.S. § 41-2548(B), Design Professional shall retain and shall contractually require each Subconsultant and/or Subcontractor to retain books and records relating for any Cost and pricing data submitted in satisfaction of § 41-2543 for the period specified in the statute.</li> <li>2) RIGHT TO AUDIT. The retained books and records are subject to audit by Agency during that period. By A.R.S. § § 35-214 and 41-2548(B),</li> </ol>



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	<p>Design Professional shall retain and shall contractually require each Subconsultant and/or Subcontractor to retain books and records relating to performance under the Contract for the period specified in the statute and those retained books and records are subject to audit by Agency during that period.</p> <p>3) AUDITING. Design Professional or Subconsultant and/or Subcontractor shall either make all such books and records under subparagraphs 2) and 3) available to Agency at all reasonable times or produce the records at a designated Agency office on Agency’s demand, the choice of which being at Agency’s discretion. For the purpose of this paragraph, “reasonable times” are during normal business hours and in such a manner so as to not unreasonably interfere with normal business activities. Any Person who obstructs or impairs an audit being conducted or about to be conducted in relation to any contract or subcontract with the State may be found guilty of a class 5 felony under A.R.S. § 35-215.</p>
<p><b>3.8. Design Professional Licenses and Registration</b></p>	<p>Design Professional and all Subconsultants and/or Subcontractors, persons, firms and/or entities in the service of Design Professional shall maintain current licenses, registrations, including but not limited to registration under the Arizona Board of Technical Registration, and permits required for the operation of its business in general, for its operations under the Contract, and, unless expressly stated otherwise in the <u>Special Terms and General Conditions</u>, for the Work itself.</p>
<p><b>3.9. Ownership of Intellectual Property</b></p>	<p>1) PRE-EXISTING MATERIAL. All pre-existing software and other Materials developed or otherwise obtained by or for Design Professional or its affiliates independently of the Contract are not part of the Work instruments of service to which rights are granted state under subparagraph 3) below, and will remain the exclusive property of Design Professional, provided that:</p> <ul style="list-style-type: none"> <li>a) any derivative Works of such pre-existing Material or elements thereof that are created pursuant to the Contract are part of the Work instruments set forth below;</li> <li>b) any elements of derivative Work of such pre-existing Material that was not created pursuant to the Contract are not part of that Work instrument; and</li> <li>c) except as expressly stated otherwise, nothing in the Contract is to be construed to interfere or diminish Design Professional’s or its affiliates’ ownership of such pre-existing Materials.</li> </ul> <p>2) JOINT DEVELOPMENTS. The parties may each use equally any ideas, concepts, know-how, or techniques developed jointly during the course of the Contract, and may do so at their respective discretion, without obligation of notice or accounting to the other party.</p> <p>3) DEVELOPMENTS OUTSIDE OF CONTRACT. Unless expressly stated otherwise in the <u>Special Terms and Conditions</u>, the Contract does not preclude Design Professional from developing competing Materials outside the Contract, irrespective of any similarity to Materials delivered or to be delivered to Agency hereunder.</p> <p>4) OWNERSHIP AND USE OF DOCUMENTS. The Design Professional agrees all Project information, including but not limited to, notes, plans, Drawings, Specifications photos, studies, computer programs, Schedules, technical reports, prototypes and AutoCAD design backgrounds, or other Work instruments produced by the Design Professional under this Contract necessary to complete the Work, are the property of the Agency. The Design Professional agrees to continue to supply the Project AutoCAD design backgrounds to the Agency for</p>



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	<p>other projects outside the scope of this Contract, as requested by the Agency. The Design Professional shall also provide the Agency high quality copies on Agency-approved media of updated drawings and reproducible copies of specifications as specified. The cost of such copies will be reimbursed by the Agency to the Design Professional as a Reimbursable Expense. The Design Professional may not provide copies of or otherwise use the Work instruments in any format for the Project without the express prior written approval of the Agency.</p> <p>5) The Design Professional agrees that items such as plans, Drawings, Specifications photos, studies, computer programs, Schedules, technical reports, or other Work products which is/are specified to be delivered under this Contract, and which is/are to be paid for by the Agency, is/are subject to the rights of the Agency in effect on the date of this Contract. These rights include the right to use, duplicate and disclose such items in whole or in part, in any manner and for whatever purpose, and to have others do so. The Design Professional shall not copyright or otherwise claim Ownership of the Work instruments of service for the Project. The Design Professional shall include in its Subconsultants and/or Subcontractors Contracts appropriate provisions to achieve the purpose of this section.</p> <p>6) Design Professional shall give Agency full ownership of, including any and all necessary permissions to use, every aspect of the Work, unless explicitly excluded by law or contract, including the ability to create new structures based on the design Specifications and Drawings.</p> <p>7) In the event of any dispute with the Design Professional regarding any breach or default of this Contract, the Agency shall have the right to possess and use any and all plans, Specifications, Drawings, documentation, reproducibles, Design Requirements, and any other Materials necessary to complete the project.</p> <p>8) Notwithstanding anything to the contrary, Agency, at all times, shall have unlimited rights to copy and use in connection with the Project any and all Design Requirements and/or Materials prepared by Design Professional for the Project at no additional Cost to Agency, regardless of degree of completion. Design Professional also grants to Agency a royalty free license to all such any and all Design Requirements and/or Materials to which Design Professional may assert any rights under patent or copyright laws.</p> <p>a) Design Professional hereby assigns outright and exclusively to Agency all copyrights to any and all Design Requirements and/or Materials created for, or used in, the Project.</p> <p>b) Design Professional, as part of its agreements with any Subcontractors and/or Subconsultants, will secure such license and use rights from each such entity to all copyrights to any and all Design Requirements and/or Materials created for, or used in, the Project, and shall defend, indemnify and hold Agency harmless from any claims by such entities for copyright or patent infringement.</p>
<b>3.10. Subcontracts and Subconsultants</b>	<p>1) INITIAL LIST. Prior to Contract execution, Design Professional's candidate Subconsultants and Subcontractors were identified in their Offer if required.</p> <p>2) ADDITIONAL NAMES. Design Professional shall not enter into a Subcontract without first obtaining Procurement Officer's written</p>



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	<p>consent with any prospective Subcontractor or Subconsultant that (a) was not listed at time of Contract execution or (b) is for any Materials or Services categories other than the ones for which they were previously consented. For either case (a) or (b), Design Professional shall submit a written request sufficiently in advance of the need date for those Materials or services so that performance under the Contract is not impaired. Procurement Officer may request any additional information he or she determines is necessary to assess the submittal, and may withhold consent pending it.</p> <p>3) FLOW-DOWN. Design Professional shall incorporate the provisions, terms, and conditions of the Contract into every Subcontract or Subconsultant agreement by inclusion or by reference. Subconsultants and/or Subcontractors shall incorporate the provisions, terms, and conditions of the Contract into their Subcontracts and Subconsultant agreements. When making any post-execution consent requests, Design Professional shall include its warrant that it will do the same for the pending Subcontractor and/or Subconsultant covered by the request. Entering into Subcontract and/or Subconsultant agreement will not relieve Design Professional of any of its obligations or duties under the Contract, including, among other things, the duty to supervise and coordinate the Work of Subconsultants and/or Subcontractors. Nothing contained in any Subcontract and/or Subconsultant agreement will create or is to be construed as creating any contractual relationship between Agency and the Subconsultant.</p>
<p><b>3.11. Non-Discrimination</b></p>	<p>Contractor shall comply with [Arizona] State Executive Order No. 2009-09 and all other applicable federal and state laws, rules, and regulations regarding non-discrimination and equal opportunity, including the Americans with Disabilities Act.</p>
<p><b>3.12. E-Verify Requirements</b></p>	<p>As required by A.R.S. § 41-4401, Design Professional and each Subconsultant and/or Subcontractor warrants compliance with A.R.S. § 23-214(A) and all federal immigration laws and any regulations relating to the immigration status of their employees. Design Professional and each Subconsultant and/or Subcontractor acknowledge that under A.R.S. § 41-4401, Agency retains the legal right to inspect the papers of any Design Professional or Subconsultant and/or Subcontractor employee who Works under the Contract to ensure that Design Professional or Subconsultant and/or Subcontractor employee is in compliance with the foregoing warranty and understands that a breach of the foregoing warranty under shall be deemed a material breach of the Contract that is subject to penalties up to and including termination of the Contract.</p>
<p><b>3.13. Offshore Performance of Certain Work Prohibited</b></p>	<p>Contractor shall only perform those portions of the Work that directly serve the Agency or its clients and involve access to secure or sensitive data or personal client data within the defined territories of the United States. Unless specifically stated otherwise in the Specifications or the Scope of Work, this paragraph does not apply to indirect or overhead services, redundant back-up services, or services that are incidental to performance under the Contract. This provision applies to Work performed by Subconsultants and/or Subcontractors at all tiers.</p>
<p><b>3.14. Other Contractors</b></p>	<p>1) Agency may undertake with its own forces or award other contracts to the same or Other Contractors for additional or related Work.</p> <p>2) In such cases, Contractor shall cooperate fully with Agency's employees and such Other Contractors and carefully coordinate, fit, connect, accommodate, adjust, or sequence its Work to the related Work by</p>



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	<p>others.</p> <ol style="list-style-type: none"> <li>3) Where the Contract requires handing-off Contractor’s Work to others, Contractor shall cooperate as Agency instructs regarding the necessary transfer of its Work product, services, or records to Agency or the Other Contractors.</li> <li>4) Contractor shall not commit or permit any act that interferes with the Agency’s or Other Contractor’s performance of their Work, provided that, Agency shall enforce the foregoing section equitably among all its Contractors so as not impose an unreasonable burden on any one of them.</li> <li>5) Agency shall be reimbursed by Contractor for Costs incurred by Agency which are payable to an Agency separate Contractor because of delays, improperly timed activities, or defective design or construction by Contractor. Agency will equitably adjust the Contract by Change Order for Costs incurred by Contractor because of delays, improperly timed activities, damage to the Work or defective design or construction by an Agency separate Contractor.</li> <li>6) Should the Work be interrupted or hindered by the Agency or Contractor, the Contractor shall be entitled to an extension of time pursuant to the paragraph “Change Orders” in an amount equal to such interruption or hindrance but such interruption or hindrance shall not constitute a claim for damages nor for loss of anticipated profits by the Contractor.</li> </ol>
<p><b>3.15. Work on State Premises</b></p>	<ol style="list-style-type: none"> <li>1) COMPLIANCE WITH RULES. Construction Contractor is responsible for ensuring that its personnel comply with Agency’s rules, regulations, policies, documented practices, and documented operating procedures while delivering or installing Materials or performing Services on State’s grounds or in its facilities. Construction Contractor shall comply with State security requirements in order to deliver, install, or perform at that particular location without entitlement to any additional compensation or additional time for performance even if those particular requirements are not expressly stated in the Contract.</li> <li>2) PROTECTION OF GROUNDS AND FACILITIES. Construction Contractor shall deliver and perform the Services without damaging any State grounds or facilities. Construction Contractor shall promptly repair or replace any damage caused by Construction Contractor, or any of its Subcontractors or Subconsultants, at its own expense, subject to whatever instructions and restrictions Agency needs to make to prevent inconvenience or disruption of operations. If Construction Contractor fails to make the necessary repairs or replacements in a timely manner, Agency will be entitled to exercise its remedies available under the Contract (including the Design Professional Services Contract.)</li> </ol>
<p><b>3.16. Background Checks</b></p>	<ol style="list-style-type: none"> <li>1) Each of Contractor personnel who is performing Work with information technology, correctional facilities, proprietary and sensitive data or confidential or access-restricted or in an Agency defined secured area, or as otherwise requested by Agency, must undergo the security clearance and background check procedure, which may include fingerprinting.</li> <li>2) Contractor shall obtain and pay for the security clearance and background check and shall incorporate Cost in the Contractor offer submitted to perform the Work.</li> <li>3) Contractor personnel who will have administrator</li> </ol>



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	<p>privileges on a State network must additionally provide identity and address verification and undergo State-specified training for unescorted access, confidentiality, privacy, and data security.</p>
<p><b>3.17. Advertising, Publishing and Promotion of Contract</b></p>	<p>Contractor shall not advertise, promote, or otherwise use information concerning the Contract for commercial benefit without the prior written approval of Procurement Officer. The Procurement Officer may withhold approval at his or her discretion.</p>
<p><b>3.18. Inspection and Testing</b></p>	<p>By A.R.S. § 41-2547, State may at reasonable times inspect the part of Contractor's or Subcontractors' plant or places of business related to performance under the Contract. Accordingly, Contractor agrees to permit (for itself) and ensure (for Subcontractors) access for inspection at any reasonable time to its facilities, processes, and services. State may inspect or test, at its own Cost, any finished goods, work-in-progress, components, or unfinished materials that are supplied under the Contract or that will be incorporated into something to be supplied under the Contract. If the inspection or testing shows non-conformance or defects, then Contractor will owe State reimbursement or payment of all Costs it incurred in carrying out or contracting for the inspection and testing, as well as for any re-inspection or re-testing that might be necessary. Neither inspection of facilities nor testing of goods, work, components, or unfinished materials will of itself constitute acceptance by State of those things.</p>
<p><b>4.0 Costs and Payments</b></p>	
<p><b>4.1. Additional Work</b></p>	<ol style="list-style-type: none"> <li>1) Compensation for Additional Work will be in accordance with basis for compensation established in the Contract.</li> <li>2) Compensation for Additional Services will be determined either on a Standard Hourly Rate with a Not-to-Exceed-Maximum-Amount ("Standard Hourly Rate") fee basis in Contract or as a Stipulated Sum fee basis, as amended to the Contract, through Contract Amendment or Change Order, by the Procurement Officer.</li> <li>3) Before Additional Work may be performed or additional Costs incurred beyond the specified approved Contract for the Project, both the Agency and Construction Contractor must execute a written Contract Amendment or Change Order.</li> <li>4) The Agency is not responsible for actions of the Construction Contractor or its Subconsultants and/or Subcontractors for any Costs incurred by the Construction Contractor or its Subconsultants and/or Subcontractors relating to Additional Work prior to the execution of a Contract Amendment or Change Order.</li> <li>5) Any Additional Work must be performed within the time period established in the Contract Amendment or Change Order for the Project.</li> <li>6) The Agency shall only approve of requests for Additional Work due to:             <ol style="list-style-type: none"> <li>a) need for additional design;</li> <li>b) acts or omissions of the Agency;</li> <li>c) significant changes to the Project; or</li> <li>d) need to provide services due to the default of another Contractor.</li> </ol> </li> </ol>
<p><b>4.2. Applicable Taxes</b></p>	<ol style="list-style-type: none"> <li>1) CONTRACTOR TO PAY ALL TAXES. Agency is subject to Arizona Transaction Privilege Tax (TPT). Therefore, Arizona TPT applies to all sales under the Contract and Arizona TPT is Contractors' responsibility (as seller) to remit. Contractor's failure to collect Arizona TPT or any</li> </ol>



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	<p>other applicable sales or use taxes from Agency will not relieve Contractor of any obligation to remit sales or use taxes that are due under the Contract or laws. Unless stated otherwise in the <u>Commercial Document</u>, all prices therein include Arizona TPT as well as every other manner of transaction privilege or sales/use tax that is due to a municipality or another state or its political subdivisions. Contractor shall pay all federal, state, and local taxes applicable to its operations and personnel.</p> <p>2) TAX INDEMNITY. Contractor shall hold Agency harmless from any responsibility for taxes or contributions, including any applicable damages and interest, that are due to federal, state, and local authorities with respect to the Work and the Contract, as well any related Costs; the foregoing expressly includes Arizona TPT, unemployment compensation insurance, social security, and workers' compensation insurance.</p>
<p><b>4.3. Application for Progress Payment, Contractor</b></p>	<p>1) The Construction Contractor shall submit to the Agency an itemized Application for Payment completed and accepted in accordance with the Schedule of Values. Such application shall be supported by such data substantiating the Construction Contractor's right to payment as the Agency requires below, and reflecting retainage, if applicable.</p> <p>2) The Application for Payment (Exhibit H) shall:</p> <ul style="list-style-type: none"> <li>a) be an accurate reflection of the progress of the Work;</li> <li>b) contain line items based on the Schedule of Values;</li> <li>c) bear the notarized signature of Construction Contractor;</li> <li>d) bear the signature of the Design Professional if contracted to perform Construction Phase Services;</li> <li>e) only be paid after approval by the Agency Designated Representative; and</li> <li>f) not include Subcontracted items or any other items for which Construction Contractor does not intend to pay.</li> </ul> <p>3) Unless otherwise stated in the Special Terms and Conditions, the Construction Contractor is required to include the following, at a minimum:</p> <ul style="list-style-type: none"> <li>a) Construction Contractor Name and Address;</li> <li>b) Subcontractor's Name, Remit to Address and Contact Information, and</li> <li>c) All backup documentation to Application for Payment, detailed prior to showing subtotals for each item for Construction Contractor and Subcontractor (e.g., labor detail, Materials, and tax listed in separate line items).</li> </ul> <p>4) Applications for Payment may include requests for</p>



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- payment on account of changes in the Work which have been properly authorized and executed by the Agency in Change Orders.
- 5) Applications for Payment may not include requests for payment of amounts the Construction Contractor does not intend to pay to a Subcontractor or Material supplier because of a dispute or other reason.
  - 6) Applications for payment shall be made on account of Materials and equipment delivered and suitably stored at the Site for subsequent incorporation in the Work.
    - a) If approved in advance by the Agency, payment may similarly be made for Materials and equipment suitably stored off the Site at a location agreed upon in writing in accordance with Arizona General Accounting Office policies.
    - b) Payment for Materials and equipment stored on or off the Site shall be conditioned upon compliance by the Construction Contractor with procedures to establish the Agency's title to such Materials and equipment or otherwise protect the Agency's interest, and shall include applicable insurance, storage and transportation to the Site for such Materials and equipment stored off the Site.
  - 7) The Construction Contractor further warrants that upon submittal of any Progress Application for Payment all Work for which Applications for Payment have been previously issued and payments received from the Agency shall, to the best of the Construction Contractor's knowledge, information and belief, be free and clear of liens, claims, security interests, or encumbrances in favor of the Construction Contractor, Subcontractors, Material suppliers, or other persons or entities making a claim by reason of having provided labor, Materials, and equipment relating to the Work by also submitting a Conditional Waiver of Lien form with the Application for Payment.
  - 8) At the time of submittal for payment of retainage, if requested by the Construction Contractor prior to the Final Application for Payment, and at Final Application for Payment, Construction Contractor shall provide the Agency with all items contained in Contractor Project Closeout-





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	<p>Exhibit M.</p> <p>9) Agency shall not accept improper or incorrect Application for Payment until corrections have been made.</p> <p>10) A Progress Payment shall not be made to Construction Contractor until the Application for Payment has been certified.</p> <p>11) Final Payment shall not be made to Construction Contractor until a Final Completion Certificate has been issued.</p>
<p><b>4.4. Application for Payment Certification by Design Professional</b></p>	<p>The Design Professional will review and certify the amounts due to the Contractor and will issue Certificates for Payment in such amounts based on the Design Professional's inspections, observations and evaluations of the Construction Contractor's Applications for Payment for the Work accepted and in conformance to the Contract.</p>
<p><b>4.5. Automated Clearing House</b></p>	<p>Agency may pay invoices through an Automated Clearing House (ACH). In order to receive payments in this manner, Design Professional must complete an ACH Vendor Authorization Form (form GAO-618) within 30 (thirty) days after the effective date of the Contract. The form is available online at: <a href="https://gao.az.gov/afis/vendor-information">https://gao.az.gov/afis/vendor-information</a></p>
<p><b>4.6. Availability of Funds</b></p>	<p>By A.R.S. § 35-154, every Agency payment obligation under the Contract is conditioned on the availability of funds appropriated for payment of that obligation. If funds are not appropriated and available for continuance of the Contract, Agency may terminate the Contract at the end of the period for which funds are available, or, at Agency's discretion, allow appropriate amendment to the Contract. No liability will accrue to Agency if it exercises the foregoing right or discretion, and Agency will have no obligation or liability for any future payments or for any damages as a result of having exercised it.</p>
<p><b>4.7. Basis of Compensation; Design Professional</b></p>	<ol style="list-style-type: none"> <li>1) The Agency will compensate the Design Professional monthly upon the Agency acceptance described in the approved Contract, as it may be subsequently amended, upon receipt of an accurate monthly billing statement providing evidence of expenses.</li> <li>2) No advance payment will be made to the Design Professional prior to rendering services.</li> <li>3) Payments for Basic Work will be made monthly in proportion to services performed within each phase of services as reasonably determined by Agency. Agency shall have the right to review and inspect any and all records including, but not limited to, time sheets and work product of Design Professional, in order to determine whether the amount requested is accurate. Payment applications will be reviewed by the Agency to ensure the following information is included and correct or Agency will not approve the payment:             <ol style="list-style-type: none"> <li>j) Figures on the payment application shall be accurately calculated;</li> <li>k) Labor rates, reimbursables, fixed fee, subconsultant rates, overhead and fringe benefits listed on the payment application shall be consistent with the terms of the Contract;</li> <li>l) Charges included on the payment application shall be for Work included in the Contract or an amendment to the Contract, and shall be tied directly to the tasks outlined in the Contract;</li> <li>m) Design Professional principals shall bill at staff rates when acting as staff. Principals may only bill at the hourly rate of Principals when acting in that capacity. The Design Professional shall provide</li> </ol> </li> </ol>

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	<p>documentation with each payment request that clearly indicates how that individual's time is allocated and the justification for that allocation;</p> <ul style="list-style-type: none"> <li>n) Subconsultant is an approved subconsultant in the Contract or an amendment to the Contract and any subconsultant approved for a specific discipline is being paid when Work in that discipline is performed;</li> <li>o) Reimbursable Expenses claimed are permitted by the terms of the Contract and supporting documentation is provided with the invoice; and</li> <li>p) If invoice has item(s) in dispute. Design Professional may resubmit an invoice for the undisputed amount or wait for payment until the dispute has been resolved.</li> <li>q) Design Professional shall not be entitled to receive payment until they have provided Agency with conditional and/or unconditional lien waivers, including waivers from Subconsultants, along with a detailed description of services and such other documents showing compliance with the terms of the contract as Agency may reasonably require in connection with requests for payment.</li> </ul>
<p><b>4.8. Contracted Labor Rate</b></p>	<ul style="list-style-type: none"> <li>1) The contracted labor rates are the fully-burdened and marked-up billing rates for Construction Contractor's labor <b>Exhibit C</b></li> <li>2) The rates are deemed to be inclusive of the actual gross wages plus all:             <ul style="list-style-type: none"> <li>r) Applicable payroll taxes, non-payroll employer burden, workers' compensation contributions and health and welfare benefit contributions;</li> <li>s) Retirement or other pension contributions, vacation, sick time or other paid leave allowances and the like;</li> <li>t) Required home office support, corporate or subordinate licenses or registrations, corporate insurance, professional association fees, advertising, time and travel by any of Construction Contractor personnel other than billable personnel and any bonuses or other incentives for all personnel (including billable Personnel);</li> <li>u) Insurance coverages to be provided by Construction Contractor under the Contract; and</li> <li>v) Profit.</li> </ul> </li> <li>3) The rates are not subject to overtime or other premium time unless expressly stated otherwise.</li> <li>4) Prior to Construction Contractor finalization of Subconsultants and/or Subcontractors contracts, the Agency shall review and approve Subconsultants and/or Subcontractors hourly rates.</li> </ul>
<p><b>4.9. Delay</b></p>	<ul style="list-style-type: none"> <li>1) Pursuant to A.R.S. § 41-2617, if the Construction Contractor incurs damages due to a delay for which the Agency and the Construction Contractor agree is (a) the fault of the Agency, (b) unreasonable under the circumstances, and (c) was not already contemplated by the terms of the agreement, then the Agency and the Construction Contractor may negotiate for the recovery of those damages. In this case, if the Construction Contractor sustains damages, which could not have been avoided by the judicious handling of forces, equipment and materials; or by reasonable revision in the Construction Contractor's schedule of operation, the compensation for such damages will be negotiated. The Construction Contractor shall notify the Agency of the condition in writing by the next work day. Failure to notify the Agency within this time may be just cause to reject any claims for such damages.</li> </ul>



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	<p>2) DELAYS THAT RESULT IN A MATERIAL CHANGE TO THE DATE OF SUBSTANTIAL COMPLETION MAY RESULT IN LIQUIDATED DAMAGES. Agency may assess Liquidated Damages (as detailed in the Special Terms and General Conditions) for unexcused and/or unauthorized delays, caused by the Construction Contractor, or any of its Subconsultants or Subcontractors, that result in a material change to the date of Substantial Completion of the Work. Construction Contractor is responsible for any reasonably foreseeable causes of delay.</p> <p>3) TIME EXTENSION. Within one business day after the Construction Contractor should have reasonably known of the occurrence prompting the request for an extension of time, the Construction Contractor must deliver a preliminary written notice to the Agency describing the general nature of the request. Within a reasonable time after the preliminary notice, the Construction Contractor must provide the Agency written supporting documentation stating all known time extensions to which the Construction Contractor is entitled. Construction Contractor may submit written time extension requests to the Agency for approval if the Construction Contractor is delayed through no fault of its own.</p> <p>4) CONCURRENT DELAYS. To the extent the Construction Contractor is entitled to an extension of time due to an Excusable Delay but the performance of the Work would have been suspended, delayed or interrupted by the fault or neglect of the Construction Contractor and/or any of its subcontractors/subconsultants, and suppliers, the Construction Contractor shall not be entitled to any additional Costs for the period of such concurrency.</p> <p>5) CHANGE ORDER. Any requests for time extensions must be approved by Agency and/or Design Professional through the use of a Change Order.</p>
<p><b>4.10. Equipment Rental</b></p>	<p>Construction Contractor rental of construction equipment to perform the Work shall be recorded and billed to the Agency to the nearest one-half hour and shall cease when equipment is no longer necessary for the Work. Billing shall include sales tax, the Cost of transportation, loading, unloading, and dismantling and removal thereof in accordance with the rental agreement terms and Agency approved Construction Contractor markup for overhead and profit. Rates for Construction Contractor -owned equipment shall be approved by Agency prior to equipment use. Construction Contractor shall not charge Agency for equipment that is inoperable due to breakdown or used for Work not related to the Project.</p>
<p><b>4.11. Invoicing Requirements</b></p>	<p>1) Design Professional shall only submit invoice that match the prices in the Contract, including the pricing in any authorized Change Order or Contract Amendment.</p> <p>2) Design Professional shall comply with the following requirements for the submittal of invoices to the Agency. The Agency may, in its discretion, choose to deny all or some of an invoice due to the Design Professional's failure to fully comport invoices to these requirements:</p> <p>w) TRAVEL. Travel Costs will be reimbursed according to the policies and procedures set by the State of Arizona's General Accounting Office as specified in the Contract. See <a href="http://www.gao.az.gov/travel/">http://www.gao.az.gov/travel/</a> for Current Policies. Any anticipated travel Costs should be detailed as a line item in Design Professional's fee proposal.</p>



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	<ul style="list-style-type: none"> <li>x) <b>LODGING, SUBSISTENCE, AND MILEAGE.</b> Design Professional and Agency must agree upon any lodging and subsistence Costs before these Costs are incurred for the Design Professional to receive reimbursement for these Costs. If lodging and subsistence Costs are incurred fifty (50) or more miles from the Design Professional primary place of business, then the invoice must include all receipts associated with these Costs for full reimbursement. Design Professional will only be reimbursed for mileage for travel fifty (50) or more miles from the Design Professional’s primary place of business.</li> <li>y) <b>PREVIOUS MONTH.</b> Design Professional shall only submit invoices for authorized and accepted Work, and Reimbursable Expenses for the previous month less any applicable penalties.</li> <li>z) <b>INVOICES MUST BE VERIFIED.</b> Design Professional shall bear the primary responsibility for the validity of any and all invoices, and shall certify that its invoices have been examined and that the contents therein are accurate and consistent with the Design Professional’s books of account.</li> <li>aa) <b>INVOICE REQUIREMENTS STRICTLY ENFORCED.</b> Agency reserves the right to reject, or partially pay, any invoices that are improperly addressed, or contain inaccurate or incomplete information. Agency is not responsible for any financing or other charges due to payments that are late due to Design Professional error.</li> <li>bb) <b>FINAL INVOICE.</b> Design Professional shall submit an invoice that contains a clear designation that it is the “Final” invoice when the Work is complete. Agency is under no obligation to release payment on a Final Invoice until the Design Professional has fully documented the final completion of the Work and Agency has reviewed and agreed with the amount due on the Final Invoice.</li> </ul>
<b>4.12. Interest</b>	<p>Payments to Design Professional are issued pursuant to A.R.S. § 35-342. If payments to Design Professional are allowable and 30 days past due, interest shall accrue at the rate detailed in A.R.S. § 44-1201.</p>
<b>4.13. Payment</b>	<ul style="list-style-type: none"> <li>1) <b>PAYMENT NOT ACCEPTANCE.</b> Agency payment of any invoice or Application for Payment shall not be construed to be acceptance of the Work.</li> <li>2) <b>PAYMENT DEADLINE.</b> Agency shall make payments in compliance with Arizona Revised Statutes Titles 35 and 41. Unless and then only to the extent expressly stated otherwise in the Contract, Agency shall make payment in full for Materials that have been delivered and accepted and Work that has been performed and accepted within the time specified in A.R.S. § 35-342 after both of the following become true:             <ul style="list-style-type: none"> <li>a) All of the Materials being invoiced have been delivered or installed (as applicable) and accepted and all of the Work being invoiced have been performed and accepted; and</li> <li>b) Contractor has provided a complete and accurate invoice in the form and manner called for in the Contract and reasonably requested by the Agency, provided that, the Agency will not make or be liable for any payments to Contractor until Contractor has registered properly in APP and provided a current IRS Form W-9 to Agency unless excused by law from providing one.</li> </ul> </li> <li>3) <b>PAYMENTS ONLY TO CONTRACTOR.</b> Unless compelled otherwise by operation of law or order of a court of competent jurisdiction, Agency shall make payment to Contractor under the federal tax identifier</li> </ul>



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<p><b>4.14. Project Suspension by Agency</b></p>	<p>provided.</p> <p>If the Project is suspended or abandoned in whole or in part for more than six (6) months by the Agency, the Design Professional will be compensated for only the following: all Work performed prior to receipt of written notice from the Agency of such suspension or abandonment together with Reimbursable Expenses then due. The Agency will not be liable for any additional expenses or any damages, including but not limited to consequential damages. If the Project is resumed after having been suspended for more than six (6) months, the Design Professional's compensation may be equitably adjusted through negotiation. If the parties cannot agree on an adjustment, Agency may terminate the Agreement.</p>
<p><b>4.15. Recovery of Overpayment</b></p>	<p>If Agency determines that an over-payment has been made to Design Professional on any prior invoice, it shall inform Design Professional of the amount and date of the over-payment and may deduct the over-paid amount from amounts then or thereafter due to Design Professional.</p>
<p><b>4.16. Reimbursable Expenses</b></p>	<p>Reimbursable expenses may be billed in accordance with Uniform Terms and General Conditions for amounts expended in the interest of the Project. Design Professional shall not exceed the approved reimbursement amount without prior written approval of the Agency through a Contract Amendment.</p>
<p><b>4.17. Standard Hourly Rate Basis for Work</b></p>	<p>For Projects compensated on a Standard Hourly Rate basis, the invoice statement for all Applications for Payment must show the name of all employees and Subconsultants and/or Subcontractors charging time to the Project, the amount of time billed, the fully burdened hourly rates, and the activities performed by each person listed. If requested by Agency, payroll time sheets and any other documents reasonably requested by Agency to verify amounts requested, shall be provided.</p>
<p><b>4.18. Stipulated Sum (Fixed Price/Lump Sum) Basis for Work</b></p>	<p>For Projects compensated on a Stipulated Sum basis, the invoice statement for Application for Payment must include a brief summary of the progress and completion of tasks in accordance with the Work to substantiate the percentage of completion of Work by phase during the time period covered by the Application for Payment. Any Costs in excess of approved maximum not to exceed Contract amount incurred prior to Agency's written consent will not be paid unless Costs were incurred at the Agency's direction.</p>
<p><b>4.19. Notification of Payments</b></p>	<p>Any Design Professional, Subconsultant, or Subcontractor may notify the Agency in writing requesting that it be notified by the Agency in writing within five days from payment of each progress payment made to a Construction Contractor. If a request is made to the Agency as described in this paragraph, the request remains in effect for the duration of the requestor's Work related to this Contract pursuant to A.R.S. § 41-2577. Note that this paragraph in no way limits the Design Professional's and/or Construction Contractor's ability to withhold any application or certification due to issues related to the Work of a Design Professional, Subconsultant, or Subcontractor as described in A.R.S. § 41-2577(D).</p>

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## Contract Changes

<p><b>5.1. Assignments and Delegation</b></p>	<ol style="list-style-type: none"> <li>1) NOTICE AND ASSIGNMENT OF TRANSFER OF OWNERSHIP. In additions to Sections 5.2 and 5.3 below, the Agency will require immediate notice and explicit assignment, pursuant to this Section, of any change to the underlying ownership of the Contractor. For the purpose of this Section, a change in ownership is defined by the transfer of any ownership interest or control of fifty percent or more of the Contractor, regardless of the form under which the Contractor conducts its business.</li> <li>2) IN WHOLE. Contractor shall not assign in whole or in part its rights or delegate in whole or in part its duties under the Contract without (a) notifying the Procurement Officer in advance and (b) obtaining the Procurement Officer’s prior written consent, which the Procurement Officer may withhold at his or her discretion. If Contractor’s proposed assignment or delegation stems from a split, sale, acquisition, or any other change in control, then no such consent will be given in any event without the assignee or delegate giving the Agency satisfactory and equivalent evidence or assurance of its financial soundness, competency, capacity, and qualification to perform as that which Contractor possessed when Agency first awarded it the Contract. Such determinations shall be made by the Procurement Officer in its sole discretion.</li> </ol>
<p><b>5.2. Contract Amendments</b></p>	<p>The Contract is issued for Agency under the authority of Procurement Officer. Only a Contract Amendment can modify the Contract, and then only if it does not change the Contract’s general scope.</p>
<p><b>5.3. Unauthorized Contract Amendments or Orders are Void</b></p>	<p>Purported changes to the Contract by a person not expressly authorized by Procurement Officer or made unilaterally by Design Professional will be void and without effect; Design Professional will not be entitled to any claim made under the Contract based on any such purported changes. The Design Professional is on notice that any course of conduct dealings cannot bind the Agency to any changes to the Contract; the Agency may avoid any unauthorized modifications to the Contract, Contract Amendments, or Orders.</p>
<p><b>5.4. Change Orders</b></p>	<ol style="list-style-type: none"> <li>1) The Agency will only compensate for and the Construction Contractor shall only deliver or perform Additional Work that has been approved by the Agency through a fully authorized Change Order.</li> <li>2) CHANGE ORDER TERMS. All Change Orders are subject to the Contract Terms and Conditions except to the extent they are modified by Change Order.</li> <li>3) REASONABLE TIME FOR REVIEW. Both parties to the Contract agree to allow a reasonable period of time for the review and consideration of any requested Change Orders.</li> <li>4) FIELD ORDER DIRECTIVES (See Exhibit I). Field Order Directives should be followed by a Change Order within a reasonable time. The Not-to-Exceed Cost detailed in the Field Order Directive is enforceable against the Construction Contractor if the Agency and Construction Contractor are unable to agree to a price through a Construction Change Order.</li> <li>5) ITEMIZATION OF WORK. The Construction Contractor shall include the proposed Cost itemized breakout including Subcontractor or Subconsultant pricing by Work division labor and Materials, at a minimum to include: General Conditions, Overhead and Profit, Total-Labor Costs, Total Materials Cost, Equipment, Field Office and Job Site Supervision, Bonds, Insurance, and applicable tax. Failure of Construction Contractor to submit itemized Cost information with the Change Order Request will delay processing through no fault of the Agency.</li> <li>6) ADDITIONAL TIME FOR DELAY. Construction Contractor must submit any request for an Excusable Delay within one business day after the Construction Contractor should have reasonably known of the occurrence prompting the request for an extension of time. <ol style="list-style-type: none"> <li>a) Any Construction Contractor request for an Excusable Delay must be made through Construction Contractor initiation of a Change Order Request and written notice to the Agency.</li> <li>b) Failing to timely and properly provide written notice of the Delay, which must include a request through a Change Order Request, will waive Construction Contractor’s ability to negotiate increased time to complete the Work.</li> <li>c) The Construction Contractor’s request shall include an estimate of Cost and of probable</li> </ol> </li> </ol>



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	<p>effect of delay on the Work Progress Schedule. Adverse weather conditions shall not be a basis for a claim for additional Costs.</p> <ol style="list-style-type: none"> <li>7) FUEL SURCHARGES. Under no circumstances will the Agency accept any fuel surcharges on any Change Order request or Construction Contractor Pay Applications</li> <li>8) CONSTRUCTION CONTRACTOR AND SUBCONTRACTOR MARKUP. The combination of overhead and profit shall not exceed the original percentage mutually agreed upon value of labor and Material for Work performed by any Construction Contractor or subcontractor for any Change Order or 5%, whichever is greater.</li> <li>9) CONSTRUCTION CONTRACTOR ADDITIONAL WORK. Any Additional Work caused by Construction Contractor error, inconsistency, ambiguity, or otherwise conduct of Construction Contractor shall not constitute a change, and such Work will be performed at no additional cost to Agency.</li> <li>10) AGREEMENT ON CHANGE ORDER. Agreement on any Change Order shall constitute a final settlement of any and all matters relating to the change in the Work which is the subject of the Change Order including, but not limited to, any and all direct and indirect costs associated with such change and any and all adjustments to the Contract sum and the Schedule.</li> </ol>
<p><b>5.5. Field Order Directive</b></p>	<ol style="list-style-type: none"> <li>1) The Agency may order changes in the Work within the general scope of the Contract, consisting of additions, deletions or other revisions, the Contract Cost and time for Substantial Completion being adjusted accordingly.</li> <li>2) A Field Order Directive (Exhibit I) shall be used in the absence of total agreement on the terms of a Change Order.</li> <li>3) If the Agency and the Construction Contractor cannot agree as to what amount should be charged for the Field Order Directive, Construction Contractor shall only be entitled to be reimbursed for actual direct labor and material Costs incurred at the construction site attributable to the change plus 5% for overhead and profit. Construction Contractor shall keep detailed records of all such Costs and submit such records to the Agency on a weekly basis. Within ten (10) days of completion of the change and the submission of all Cost data to the Agency, the Agency shall determine the total allowable Costs for the purpose of pricing and paying for the additional work required by the Field Order Directive and advise the Construction Contractor of such determination in writing. This determination shall be final and binding unless Construction Contractor objects in writing within ten (10) days of this determination. The written objection shall contain a detailed statement of those elements and items of the determination with which the Construction Contractor disagrees with an adequate explanation forming the bases of the disagreement. The parties shall then make a good faith effort to resolve the disagreement within fifteen (15) days. If the parties still fail to agree, the dispute shall be submitted to the Procurement Officer. The Procurement Officer shall determine the Costs and notify the Construction Contractor in writing of his or her determination. If the Construction Contractor disagrees with the Procurement Officer's determination, the Construction Contractor shall immediately initiate the contract claims resolution process in the Arizona Procurement Code (A.A.C. R2-7-B901, <i>et seq.</i>)</li> <li>4) When both additions and credits covering related Work or substitutions are involved in a change, the allowance for overhead and profit shall be figured on the basis of net increase, if any, with respect to that change.</li> <li>5) The amount of credit to be allowed by the Contractor to the Agency for a deletion or change which results in a net decrease in the Contract Cost shall be actual net Cost as determined by the Design Professional or Agency.</li> <li>6) Pending final determination of Cost to the Agency, amounts not in dispute may be included in applications for payment.</li> <li>7) For any disagreement between the Contractor and Agency on the adjustment in Contract time or the method for determining it, the adjustment or the method shall be referred to the Agency for determination.</li> <li>8) When the Agency and Contractor agree with the determination made by the Contractor concerning the adjustments in the Contract Cost and Contract time, or otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and shall be recorded by preparation and execution of an appropriate Change Order.</li> </ol>



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<b>5.6. Minor Changes in the Work</b>	<p>The Contractor, with the Agency’s approval, has the authority to order minor changes in the Work not involving adjustment in the Contract Cost or extension of the Contract time and consistent with the intent of the Contract. Such changes shall be effected by written order and shall be binding on the Agency and Contractor.</p> <p>The Contractor shall carry out such written orders promptly.</p>
<b>5.7. Claims</b>	<p>If Contractor is aware of any act, omission, or condition that would give rise to a breach of Contract or a Change Order and/or claim, Contractor shall notify Agency in writing within 48 hours after becoming aware of such act, omission, or condition. This notice shall provide sufficient detail so that the claim may be properly evaluated by the Agency in a timely manner. Failure to give such notice shall be deemed a waiver of the right of the Contractor to recover.</p>
<b>6.0 Risk and Liability</b>	
<b>6.1. Risk of Loss</b>	<p>If applicable, Contractor shall bear all risk of loss and damages caused by Drawings, Specifications, Design Requirements, or other documents prepared by Contractor and used by Contractor in bidding, designing, and/or constructing the project to the extent that such documents are ambiguous, incomplete, contain errors or inconsistencies or fail to comply with any applicable codes, regulations and laws.</p>
<b>6.2. Basic Indemnification</b>	<p>CONTRACTOR/VENDOR (NOT PUBLIC AGENCY). If a Design Professional provides Work, services, studies, planning, surveys or other preparatory Work in connection with a public building or improvement, the Contractor, and any and all of its Subconsultants and/or Subcontractors under this Contract, shall indemnify and hold harmless the State of Arizona and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees, from liabilities, damages, losses and Costs, including reasonable attorney fees and court Costs (including, but not limited to, primary loss investigation, judgment Costs, expert witness fees, and any and all fees and Costs from appellate proceedings), for any and all acts arising from or connected to the performance of this contract but only to the extent caused by the negligence, recklessness, or intentional wrongful conduct of such Contractor or other persons employed or used by such Contractor or Subconsultants and/or Subcontractors in the performance of the Contract or subcontract, as allowed under A.R.S. Section 41-2586 (C) and A.R.S. Section 34-226. The Design Professional additionally agrees to indemnify the State of Arizona and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for any vicarious liability for the tortious conduct of the Design Professional’s actions including the actions of any of the Design Professional’s personnel or Subcontractors and/or Subconsultants. The amount and type of insurance coverage requirements set forth in the Contract shall not be construed as limiting the scope of the indemnity in this paragraph.</p> <p>This indemnity shall not apply if the Contractor or Subconsultant(s) and/or Subcontractor(s) is/are an agency, board, commission or university of the State of Arizona.</p>
<b>6.3. Patent and Copyright Indemnification</b>	<p>1) DESIGN PROFESSIONAL/VENDOR (NOT PUBLIC AGENCY). With respect to Materials or Services provided or proposed by a Design Professional Indemnitor for performance under the Contract, Design Professional shall indemnify, defend and hold harmless the State of Arizona and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees against any third-party claims for liability, Costs, and expenses, including, but not limited to reasonable attorneys’ fees, for infringement or violation of any patent, trademark, copyright, or trade secret by the Materials and the Services. With respect to the defense and payment of claims under this subparagraph:</p> <ul style="list-style-type: none"> <li>a) Agency shall provide reasonable and timely notification to Design Professional of any claim for which Design Professional may be liable under this paragraph;</li> <li>b) Design Professional, with reasonable consultation from Agency, shall have control of the defense of any action on an indemnified claim including all negotiations for its</li> </ul>





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	<p>settlement or compromise. Design Professional shall provide the Agency with notice of settlement negotiations and allow the Agency to participate in negotiations, if Agency so chooses;</p> <p>c) Agency may elect to participate in such action at its own expense; and</p> <p>d) Agency may approve or disapprove any settlement or compromise, provided that, Agency shall not unreasonably withhold or delay such approval or disapproval and Agency shall cooperate in the defense and in any related settlement negotiations.</p> <p>2) If Design Professional is a public agency, this paragraph does not apply.</p>
<p><b>6.4. Force Majeure</b></p>	<p>1) DEFINITION. For this paragraph, “force majeure” means an occurrence that is:</p> <p>a) beyond the control of the affected party,</p> <p>b) occurred without the party’s fault or negligence, and</p> <p>c) something the party was unable to prevent by exercising reasonable diligence.</p> <p>2) Without limiting the generality of the foregoing, force majeure expressly includes acts of God, acts of the public enemy, war, riots, strikes, mobilization, labor disputes, civil disorders, fire, flood, lockouts, injunctions-intervention-acts, failures or refusals to act by government authorities, and subject to paragraph 6.5 “Performance in Public Health Emergency,” declared public health emergencies.</p> <p>3) Force majeure expressly does not include late delivery caused by congestion at a manufacturer’s plant or elsewhere, an oversold condition of the market, late performance by a Subcontractor unless the delay arises out of an occurrence of force majeure.</p> <p>4) RELIEF FROM PERFORMANCE. Except for payment of sums due at the time of Force Majeure, the parties are not liable to each other if an occurrence of force majeure prevents its performance under the Contract. If either party is delayed at any time in the progress of their respective performance under the Contract by an occurrence of force majeure, the delayed party shall provide written notice to the other no later than the following working day after the occurrence, or as soon as it could reasonably have been expected to recognize that the occurrence had effect in cases where the effects were not readily apparent. In any event, the notice must make specific reference to this paragraph specifying the causes of the delay in the notice and, if the effects of the occurrence are on-going, provide an initial notification and thereafter the delayed party shall provide regular updates until such time as the effects are fully known. To the extent it is able, the delayed party shall cause the delay to cease promptly and notify the other party when it has done so. The parties shall extend the time of completion by Contract Amendment for a period equal to the time that the results or effects of the delay prevented the delayed party from performing.</p> <p>5) DELAY CAUSED BY FORCE MAJEURE IS NOT DEFAULT. Failure in performance by either party will not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits or any other consequential damages if and to the extent that such failure was or is being caused by an occurrence of force majeure.</p> <p>6) DEFAULT DIMINISHES RELIEF. Entitlement to relief from the effects of an occurrence of force majeure is diminished to the extent that the delay did or will result from the affected party’s default unrelated to the occurrence, in which case and to that extent the other party’s normal remedies and the affected party’s obligations would apply undiminished.</p>
<p><b>6.5. Performance in Public Health Emergency</b></p>	<p>1) Construction Contractor warrants that it will:</p> <p>2) Have in effect promptly after commencement a plan for continuing performance in the event of a declared public health emergency that addresses, at a minimum:</p> <p>3) identification of response personnel by name;</p> <p>4) key succession and performance responses in the event of sudden and significant decrease in workforce; and</p> <p>5) alternative avenues to keep the project consistent with its Schedule or sufficient product on hand or in the supply chain; and</p> <p>6) Provide a copy of its current plan to Agency within three (3) business days after Agency’s written request. If Construction Contractor claims relief under the paragraph “Force Majeure” for an occurrence of force majeure that is a declared public health emergency, then that relief will be conditioned on Construction Contractor having first implemented its plan and exhausted all reasonable opportunity for that plan implementation to overcome</p>



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	<p>the effects of that occurrence, or mitigate those effects to the extent that overcoming entirely is not practicable.</p> <p>7) For clarification of intent, being obliged to implement the plan is not of itself an occurrence of Force Majeure, and Construction Contractor will not be entitled to any additional compensation or extension of time by virtue of having to implement it. Furthermore, failure to have or implement an appropriate plan will be a Material breach of contract.</p>
<p><b>6.6. Safety Standards</b></p>	<ol style="list-style-type: none"> <li>1) Contractor shall provide Materials and Services under this Contract that comply with all current applicable safety standards and regulations, including but not limited to, the Occupational Safety and Health Standards of the State of Arizona Industrial Commission, the National Electric Code and the National Fire Protection Association Standards and any other standard references in the Contract.</li> <li>2) Contractor shall provide necessary protection, take all precautions for and monitor the safety of Construction Contractor personnel and Subcontractor and/or Subconsultants during the performance of Work.</li> <li>3) Contractor is obligated to act to prevent threatened damage, injury or loss of persons, the Work, or property at the Site or adjacent thereto in emergencies affecting the safety or protection thereof.</li> </ol>
<p><b>6.7. Third Party Antitrust Violations</b></p>	<p>Contractor assigns to Agency any claim for overcharges resulting from antitrust violations to the extent that those violations concern Materials or services supplied by third parties to Contractor toward fulfillment of the Contract.</p>
<p><b>7.0 Warranties</b></p>	
<p><b>7.1 Liens</b></p>	<p>Contractor warrants that the Materials and Services when accepted will be and will remain free of liens or other encumbrances.</p>
<p><b>7.2 Guarantees and Warranties</b></p>	<ol style="list-style-type: none"> <li>1) Design Professional warrants that it has carefully conducted and performed internal checking of any and all Design Requirements to ensure proper layouts and dimension completeness and clarity, and through due diligence has no knowledge of any inconsistencies, ambiguities, errors, omissions, or conflicts with regard to such Design Requirements.</li> <li>2) Design Professional warrants that it has advised Agency in writing of the need for tests, studies, analysis or subconsultant services for the development of design documents.</li> <li>3) Design Professional warrants that construction drawings and specifications submitted for bidding or negotiation with a Construction Contractor are complete, accurate, unambiguous and in compliance with all applicable codes, laws and ordinances.</li> <li>4) Design Professional warrants that it is financially solvent and possesses sufficient experience, licenses, personnel, and capital to complete the services for the Agency.</li> <li>5) Design Professional warrants that they have visited the project Site, is thoroughly familiar with the conditions of the Site, and will correlate its observations with the construction drawings and specifications.</li> <li>6) Design Professional warrants that it shall be responsible for any and all defects in the construction drawings and specifications, and other design documents prepared by Design Professional and/or Subconsultants and/or Subcontractors, that are caused by the Design Professional, Subconsultants and/or Subcontractors, or any other person or firm hired by the Design Professional.</li> <li>7) Design Professional warrants that the construction drawings and specifications are sufficient for the intended purpose of performing design services under this agreement.</li> <li>8) Design Professional warrants that the construction drawings and specifications may be built at the Site and that construction and completion of the project will not violate any zoning ordinance or use restrictions imposed by any governing authority.</li> <li>9) Design Professional warrants that all personnel or Subconsultants and/or Subcontractors used for construction administration services shall have sufficient knowledge and experience to properly carry out the duties required for the Work.</li> </ol>
<p><b>7.3 Contractor Personnel</b></p>	<ol style="list-style-type: none"> <li>1) Construction Contractor warrants that its personnel will perform their duties under the Contract in a professional manner, applying the requisite skills and knowledge, consistent with industry standards, and in accordance with the requirements of the Contract. Construction Contractor further warrants that its key personnel will maintain any</li> </ol>



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	<p>certifications relevant to their Work, and Construction Contractor shall provide individual evidence of certification to Agency’s authorized representatives upon request.</p> <p>2) The Construction Contractor shall enforce strict discipline and good order among the Construction Contractor’s employees and other persons carrying out the Contract Work. The Construction Contractor shall not permit employment of unfit persons or persons not skilled in tasks assigned to them.</p>
<p><b>7.4 Intellectual Property</b></p>	<p>1) Design Professional warrants that the Materials and Services do not and will not infringe or violate any patent, trademark, copyright, trade secret, or other intellectual property rights or laws, except only to the extent the Specifications do not permit use of any other product and Design Professional is not and cannot reasonably be expected to be aware of the infringement or violation.</p> <p>2) SYSTEMS AND CONTROLS. In consideration for Agency having agreed to permit Pass-Through Indemnities in lieu of direct indemnity, Design Professional agrees to establish and keep in place systems and controls appropriate to ensure that Agency funds under this Contract are not knowingly used for the acquisition, operation, or maintenance of Materials or Services in violation of intellectual property laws or a third party’s intellectual property rights</p>
<p><b>7.5 Compliance with Laws</b></p>	<p>If applicable, Design Professional warrants that the Materials and Services and any disposal thereof bearing on performance of the Work do and will continue to comply with all applicable federal, state, and local laws.</p> <p>Some of the local codes with which the Work performed by the Design Professional must be in compliance include, but are not limited to, the Arizonans with Disabilities Act (A.A.C. R10-3-401 through 412) and American National Standards Institute’s Specifications for Making Buildings and Facilities Accessible to and Usable by the Physically Handicapped; State of Arizona Fire Code; regulations related to solar energy and life cycle Cost analysis (see A.R.S. § 34-452); and Water Conservation for State Facilities (see Executive Order 91-3).</p>
<p><b>7.6 100% Construction Documents</b></p>	<p>1) Construction Documents shall be consistent with the Project program, construction budget, and Progress Schedule.</p> <p>2) Prior to the first Construction Documents phase submittal, Design Professional and its Subconsultants and/or Subcontractors shall review Agency’s Bidding Documents for Project requirements and recommend any changes needed to make them applicable to the Project.</p> <p>3) Design Professional shall update the documents and provide additional drawings, details and specifications in sufficient detail as to be deemed complete and buildable.</p> <p>4) Prior to submitting the 100% Construction Documents, Design Professional and its Subconsultants and/or Subcontractors shall have thoroughly checked, coordinated, and revised all documents to bring them to 100% completed level</p> <p>5) The Design Professional shall provide or assist with the preparation of the following:</p> <ol style="list-style-type: none"> <li>a) Certification Page</li> <li>b) Project Description</li> <li>c) Index to the Specifications</li> <li>d) Specifications and List of Drawings with dates</li> </ol>
<p><b>7.7 Contracted Work, Errors and Omissions</b></p>	<p>1) Errors, inconsistencies, ambiguities or omissions discovered by the Contractor shall be reported as a written Request for Information to the Agency immediately prior to the execution of Work.</p> <p>2) If the Contractor performs any Work activity knowing or should have known it involves an error, inconsistency or omission in the Contract without such written notice to the Agency, the Contractor shall assume full responsibility for such performance and shall bear the full Costs for correction.</p> <p>3) REMEDIATION OF ERRORS. Contractor bears full responsibility for errors and omissions in its Work and any and all Work of the Contractor’s Subconsultant’s and/or Subcontractor’s Work. Contractor shall include in its Work, without limit or additional Cost to the Agency, all Work necessitated, in whole or in part, by any and all errors and omissions of, or breach of,</p>



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	<p>the Contract by, the Contractor, its Subconsultants and/or Subcontractors, or any entity working under the Contractor. At a minimum, the Contractor shall, at no Cost to the Agency, promptly remediate any errors, omissions, deficiencies, or contradictions in its Work to the satisfaction of the Agency.</p> <p>4) ACCEPTANCE OR APPROVAL DOES NOT ALLEVIATE CONTRACTOR’S RESPONSIBILITY FOR ERRORS. The approval, review, or acceptance of the Contractor’s Work by any Agency or other party does not, in any way, alleviate the Contractor from its responsibility to fully remediate the Work from any errors discovered subsequently or necessary clarification of any ambiguities. The obligations of the Contractor to correct defective or nonconforming Work shall not, in any way, limit the Contractor’s other obligations under the Contract.</p> <p>5) DESIGN PROFESSIONAL PERFORMING WORK WITH A CONSTRUCTION MANAGER AT RISK. When working with a Construction Manager-at-Risk, Design Professional has a shared responsibility with Construction Contractor for discovery and resolution of discrepancies, errors, and omissions in the Contract Documents when hired by the Agency to perform pre-construction services. In such case, Design Professional’s responsibility pertains to review, coordination, and recommendation of resolution strategies within budget constraints.</p>
<p><b>7.8 Licenses and Permits</b></p>	<p>Design Professional warrants that it will maintain all licenses and proper State registration required under paragraph 3.8 [<i>Design Professional Licenses</i>] valid and in force.</p>
<p><b>7.9 Operational Continuity</b></p>	<p>Contractor warrants that it will perform without relief notwithstanding being sold or acquired; no such event will operate to mitigate or alter any of Contractor’s duties hereunder absent a consented delegation under paragraph 5.1 Assignments and Delegation that expressly recognizes the event.</p>
<p><b>7.10 Pandemic Contractual Performance</b></p>	<p>1) The Design Professional shall have a plan that illustrates how the Design Professional shall perform contractual requirements in the event of a pandemic. At a minimum, the plan shall include:</p> <ul style="list-style-type: none"> <li>a) Key succession and performance planning in the event of sudden significant decrease in Design Professional’s workforce;</li> <li>b) Alternative methods to ensure there are products in the supply chain; and</li> <li>c) a current organizational chart and contact list.</li> </ul> <p>2) In the event of a pandemic, as declared by the Governor of Arizona, U.S. Government or the World Health Organization, which makes performance of any term under this Contract impossible or impracticable, the following shall apply:</p> <ul style="list-style-type: none"> <li>(a) The Agency may temporarily void the Contract(s) in whole or specific sections if the Design Professional cannot perform contractual requirements;</li> <li>(b) The Agency shall not incur any liability if a pandemic is declared and emergency procurements are authorized by the director as per § 41-2537 of the Arizona Procurement Code; and</li> <li>(c) The Agency may, at its sole discretion, reinstate the voided contracts or sections of contracts when the pandemic is officially declared over and/or the Contractor can demonstrate the ability to perform.</li> </ul> <p>3) The Agency, at any time, may request to see a copy of the written plan from the Design Professional. The Design Professional shall produce the written plan within seventy-two (72) hours of the request.</p>
<p><b>7.11 Lobbying</b></p>	<p>1) PROHIBITION. Design Professional warrants that:</p> <ul style="list-style-type: none"> <li>a) it will not engage in lobbying activities, as defined in 40 CFR part 34 and A.R.S. § 41-1231, et seq., using monies awarded under the Contract, provided that, the foregoing does not intend to constrain Design Professional’s use of its own monies or property, including without limitation any net proceeds duly realized under the Contract or any value thereafter derived from those proceeds; and, upon award</li> </ul>



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	<p>of the Contract, it will disclose all lobbying activities to Agency to the extent they are an actual or potential conflict of interest or where such activities could create an appearance of impropriety. Design Professional shall implement and maintain adequate controls to assure compliance with this paragraph.</p> <p>b) Design Professional shall obtain an equivalent warranty from all Subcontractor and/or Subconsultants and shall include an equivalent no-lobbying provision in all Subcontracts.</p> <p>2) EXCEPTION. This paragraph does not apply to the extent that the Services are defined in the Contract as being lobbying for Agency's benefit or on Agency's behalf.</p>
<p><b>7.12 Survival of Warranties</b></p>	<p>All representations and warrants made by Design Professional under the Contract will survive the expiration or earlier termination of the Contract.</p>
<p><b>7.13 Waiver of the Statute of Repose</b></p>	<p>To the fullest extent permitted by law, Contractor waives Arizona's statute of repose as defined in A.R.S. § 12-552 (the "Statute of Repose"). The Contractor's express written warranties stated elsewhere in the Contract, and any and all any and all claims, actions, liabilities, damages, losses, or expenses including attorney fees and court Costs, for bodily injury or personal injury (including death), will not be time-barred by the Statute of Repose. Court Costs shall include, but are not limited to, Costs associated with claim processing, primary loss investigation, judgment, expert witnesses, and any and all fees and Costs related to appellate proceedings.</p>
<h2>8.0 State's Contractual Remedies</h2>	
<p><b>8.1 Agency's Right to Carry Out the Work</b></p>	<p>1) If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a seven-day period after receipt of written notice from the Agency to commence and continue correction of such default or neglect with diligence and promptness, the Agency may after such seven-day period, without prejudice to other remedies the Agency may have, correct such deficiencies or cause such deficiencies to be corrected. Contractor shall pay any and all Costs incurred by the Agency for such corrections to the work.</p> <p>2) In such case, an appropriate Change Order shall be issued deducting from payments then or thereafter due the Contractor the Cost of correcting such deficiencies, including compensation for the Designer's additional services and expenses made necessary by such default, neglect or failure.</p> <p>3) Such action by the Agency and amounts charged to the Contractor are both subject to prior review and confirmation by the Designer. If payments then or thereafter due the Contractor are not sufficient to cover such amounts, the Contractor shall pay the difference to the Agency.</p> <p>4) An Agency may require that Contractor provide a work plan to address the deficiencies within 48 hours of receiving the above-referenced notice from Agency.</p>
<p><b>8.2 Consequential Damages</b></p>	<p>1) Design Professional and Agency waive claims against each other for consequential damages arising out of relating to the Contract. This mutual waiver includes, but is not limited to:</p> <p>a) Damages incurred by the Agency for rental expenses, for losses of use, income, profit, financing, business and reputation, and for loss of management or employee productivity or of the services of such persons; and</p> <p>b) Damages incurred by the Design Professional for principal office expenses including, but not limited to, the compensation of personnel stationed there, for losses of financing, inherent loss, bond capacity loss, business and reputation, and for loss of profit arising directly from</p>



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	<p>the Work, and for indirect expenses and general office overhead and future profits.</p> <ol style="list-style-type: none"> <li>2) This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination. Nothing contained in this section shall be deemed to preclude an award of liquidated direct damages, when applicable, in accordance with the requirements of the Design Professional documents.</li> <li>3) In the event the liquidated damage clause is deemed unenforceable by any tribunal or court of competent jurisdiction, the Agency's waiver of consequential damages shall be null and void.</li> </ol>
<p><b>8.3 Nonconforming Tender</b></p>	<ol style="list-style-type: none"> <li>1) The Materials provided and Services performed must comply fully with the Contract, and providing Materials or performing Services or any portion thereof that do not comply fully constitutes a breach of Contract, in which event Agency will be entitled to exercise any remedy available to it under the Contract or laws.</li> <li>2) Any material deviation from the final bid may be deemed a breach of contract unless specifically authorized by the Procurement Officer through a contract Change Order.</li> <li>3) The Agency will not accept a material reduction and/or modification in the quality and/or quantity of the Work.</li> </ol>
<p><b>8.4 Non-exclusive Remedies</b></p>	<p>Agency's rights and remedies under the Contract are not exclusive.</p>
<p><b>8.5 Right to Assurance</b></p>	<ol style="list-style-type: none"> <li>1) If Agency in good faith has reason to believe that Contractor does not intend to, or is unable to, perform or continue performing under the Contract, Procurement Officer may demand that Contractor promptly provide written assurance of intent to perform. Failure by Contractor to provide the assurance within the time specified may be the basis for terminating the Contract or for Agency to exercise any other remedy available to it under the Contract or laws.</li> <li>2) The Agency may demand any and all documents in its reasonable discretion to assure itself that the Contractor has the resources and ability to perform the Contract.</li> </ol>
<p><b>8.6 Right of Offset</b></p>	<ol style="list-style-type: none"> <li>1) Agency is entitled to offset against any sums due Contractor any expenses or Costs Agency incurs or damages it has assessed against it concerning Contractor's non-conforming performance or failure to carry out the Work, including any expenses, Costs, and damages to which it is entitled by the Contract or laws.</li> <li>2) Further, the Agency is also entitled to the right of offset on this Contract for breach and defaults on other Contracts between the Agency and Contractor.</li> </ol>
<p><b>8.7 Stop Work Order</b></p>	<p>The Agency may at any time require Contractor to stop all or any part of the Work by written order (a "Stop Work Order"). Upon receipt of a Stop Work Order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize incurring of further Costs during the period of stoppage that might be chargeable to Agency associated with the portions of the Work covered by the order. If Contractor incurs losses, it may make a claim under Article 10 solely for Work performed to date of the Stop Work Order subject to the limitations set forth in this Contract. Further, upon issuance of a Stop Work Order, Contractor shall take all steps necessary to ensure the safety of the Site.</p>
<p><b>9.0 Contract Termination</b></p>	
<p><b>9.1 Agency Failure to Perform</b></p>	<p>The Design Professional is not liable or responsible for Agency delays or suspensions of Work.</p>
<p><b>9.2 Gratuities</b></p>	<p>Agency may, by written notice, terminate the Contract, in whole or in part, if Agency determines that employment or a Gratuity was offered or made by Design Professional or a</p>



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	<p>representative of Design Professional to any officer or employee of Agency for the purpose of influencing the outcome of the procurement or the administration of the Contract or any favorable treatment concerning the Contract or performance of the Contract. Agency, in addition to any other rights or remedies available to it, will be entitled to recover exemplary damages in the amount of three (3) times the value of the Gratuity offered by Design Professional.</p>
<p><b>9.3 Notice to Cure</b></p>	<p>In the event a Notice to Cure is issued to the Design Professional, the Design Professional shall attend a meeting with the Agency Procurement Officer and any designated Agency personnel. Upon receipt of any Notice to Cure, the Design Professional receiving the Notice must prepare a report describing its program and measures to affect the Cure of the event of default and/or anticipatory breach of Contract within the time required by the Notice to Cure. The report must be delivered to the Agency Procurement Officer at least three (3) business days prior to the required Notice to Cure meeting with the Agency.</p>
<p><b>9.4 Rights to Work Project</b></p>	<p>Should the Design Professional be terminated under this Contract, the Agency may continue the Project and receive copies of the Drawings, Specifications, or other documents within fourteen (14) calendar days of the termination notice. Copies will be in the format designated by the Agency. The Agency reserves the right to have these documents completed, corrected, revised or added to by another Design Professional</p>
<p><b>9.5 Suspension or Debarment</b></p>	<p>Agency may, by written notice to Design Professional, terminate the Contract immediately if Agency discovers that Design Professional has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a Subcontractor and/or Subconsultant of any public procurement unit or other governmental body. Agency has taken Design Professional's submittal of the Offer and Acceptance Form and will take its performance under the Contract as Design Professional's attestation that it is not currently suspended or debarred. If Design Professional subsequently becomes suspended or debarred, it shall notify Procurement Officer immediately.</p>
<p><b>9.6 Termination for Conflict of Interest</b></p>	<p>By A.R.S. § 38-511, Agency may terminate the Contract within three (3) years after the effective date without penalty or further obligation if any Person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of Agency is or becomes an employee or agent of any other party to the Contract in any capacity or a consultant to any other party to the Contract with respect to the subject matter of the Contract. Any such termination will be effective when Design Professional receives Agency's written notice of the termination unless the notice specifies a later date.</p>
<p><b>9.7 Termination for Convenience</b></p>	<p>Agency may terminate the Contract for convenience and in its sole discretion, in whole or in part, at any time, and without penalty or recourse on Contractor's part other than as expressly stated in the Contract. Upon receipt of Agency's written termination notice, Contractor shall stop work as directed in the notice, notify all Subcontractor and/or Subconsultants of the termination and its effective date, place no further orders for Work or Materials, enter into any further Contracts for Materials or Work, terminate all Contracts regarding Work remaining to be done, take all reasonable and necessary actions to protect the Work and the Site, and minimize any further Costs that might be chargeable to Agency. Contractor shall take all necessary actions to protect and preserve the work. In the event of termination under this paragraph, all Design Requirements, plans, Specifications, Drawings, Construction Documents, data, and reports prepared by Contractor under the Contract will become Agency's property and Contractor shall deliver it all promptly on demand. Contractor will be entitled to receive just and equitable compensation for necessary and attributable unfinished Materials on hand, Work in progress, Work completed, and Work accepted before the effective date of the termination. Should the Agency terminate the Contract under this paragraph, the Agency will not be liable for Contractor lost profits or any consequential damages.</p>



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<b>9.8 Termination for Default</b>	<ol style="list-style-type: none"> <li>1) In addition to the rights reserved to it under the Contract, Agency may terminate the Contract in whole or in part due to Contractor's failure to:               <ol style="list-style-type: none"> <li>a) comply with any term or condition of the Contract;</li> <li>b) comply with any warranty made by construction contractor under the contract</li> <li>c) obtain and maintain all required insurance policies, bonds, licenses, and permits; or</li> <li>d) make satisfactory progress in carrying out the Work. Procurement Officer shall give written notice of the termination and the reasons for it.</li> <li>e) or fails to furnish Agency with assurances satisfactory to Agency evidencing Contractor's ability to complete the work in compliance with all the requirements of the Contract Documents.</li> </ol> </li> <li>2) Upon termination under this paragraph, all documents, data and reports prepared by Contractor under the Contract and all necessary and attributable unfinished Materials on hand, Work in progress, Work completed, and Work accepted will become Agency's property, and Contractor shall deliver all of it immediately on demand. Agency may, following termination of the Contract under this paragraph, procure on terms and in the manner determined to be appropriate Materials or services to replace those that were to have been provided or performed by Contractor, and Contractor will be liable to Agency for any excess Cost Agency incurs in procuring such substitutes.</li> <li>3) In the event the Agency terminates for default, the Agency shall be entitled to recover from the Contractor any and all reasonable attorney fees and court Costs (including, but not limited to, primary loss investigation, judgment Costs, expert witness and/or consultant fees and any and all expenses, fees, and Costs from appellate proceedings).</li> <li>4) If a termination for default is later determined to have been improper, such termination shall be automatically converted to a termination for convenience, and Contractor's remedies and compensation shall be limited to those for a termination for convenience under the Contract.</li> </ol>
<b>9.9 Work Performance Continuation Required</b>	<p>Design Professional shall carry on the Work and adhere to the Progress Schedule during all disputes, disagreements, or alternative resolution processes with the Agency.</p> <p>Design Professional shall not delay or postpone any Work except as Agency and Design Professional may agree in writing. Design Professional shall continue to perform in accordance with the requirements of the Contract up to the effective date of any Stop Work Notice issued or Termination, as directed by Agency in the notice.</p>
<b>10.0 Contract Claims</b>	
<b>10.1 Claim Resolution</b>	Notwithstanding any law to the contrary, all Contract claims or controversies under the Contract are to be resolved according to Arizona Revised Statutes Title 41, Chapter 23, Article 9, and the rules adopted thereunder.
<b>10.2 Mandatory Arbitration</b>	In compliance with A.R.S. § 12-1518, the parties agree to comply in a judicial review proceeding with any applicable, mandatory arbitration requirements for the resolution of claims valued at less than \$100,000 by the State. The parties agree that any and all mandatory arbitration shall be through the American Arbitration Association ("AAA"), with the arbitrator to be selected pursuant to AAA rules and the arbitration to be conducted according to the applicable AAA rules, and with the Costs of arbitration (including but not limited to the arbitrator's fees, and Costs) to be allocated between the parties by the arbitrator. Costs do not include attorney fees.
<b>10.3 Additional Parties to Arbitration</b>	At the State's request, Design Professional agrees to allow for the joinder of an additional party, or additional parties, to an arbitration of any claim relating to the Contract. This provision is intended for circumstances in which the State, Design Professional, or an





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	<p>additional party, has a claim or claims that relate to either the facts or claim at issue in the Design Professional's arbitration with the State, and the State determines that it would be efficient to join all the parties involved in the dispute in one arbitration.</p>
<h2>11.0 Design Professional Responsibilities</h2>	
<p><b>11.1 Acceptance of Work</b></p>	<ol style="list-style-type: none"> <li>1) Agency has the right to make acceptance of the Work subject to a complete inspection on delivery and installation, if installation is Construction Contractor's responsibility. Agency may apply as acceptance criteria conformity to the Contract, workmanship and quality, correctness of constituent Materials, and any other matter for which the Contract or applicable laws state a requirement, whether stated directly or by reference to another document, standard, reference specification, etc.</li> <li>2) Construction Contractor shall remove and replace any rejected Work; and remove any rejected Materials from the delivery location, or from any immediate environs to which it might have been reasonably necessary to move it, carry it off the delivery premises, and subsequently deliver an equal number or quantity of conforming items. Agency will not owe Construction Contractor any payment for rejected Work, and Agency may, at its discretion, withhold or make partial payment for any rejected Materials that have been returned to Construction Contractor in those instances where Agency has agreed to permit repair instead of demanding replacement</li> </ol>
<p><b>11.2 Additional Work</b></p>	<ol style="list-style-type: none"> <li>1) AUTHORIZATION FOR ADDITIONAL WORK REQUIRED. Contractor shall only provide Additional Work when authorized in a written Order signed by the responsible Agency Procurement Officer. The Agency will not provide compensation for unauthorized Work.</li> <li>2) PROMPT NOTIFICATION. Contractor shall notify the Agency with reasonable promptness when the need for additional services is identified and explain the facts and circumstances giving rise to the need. If the Agency determines that all or parts of those services are not required, the Agency shall give prompt written notice to the Contractor, and the Agency shall have no further obligation to compensate the Contractor for those services.</li> <li>3) PROMPT AND ACCURATE SUBMITTALS. To avoid delay in the Schedule, Contractor shall submit any Requests for Information ("RFI's) or any other necessary documentation completely, accurately, and in a timely fashion, in accordance with the Contract.</li> </ol>
<p><b>11.3 Agency Reviews and Approvals During Design</b></p>	<p>Each design phase is subject to review and approval by the Agency.</p> <p>Other Agency personnel, external consultants, or public agencies may also review the Design Professional's submittals at the Agency's discretion or as required by applicable regulations in advance of Agency approval.</p> <p>The Agency will review the submitted drawings at all stages at times mutually agreeable with the Design Professional and provide written comments. The Design Professional may not proceed with Work until it has received Agency approval.</p>
<p><b>11.4 Allowances</b></p>	<ol style="list-style-type: none"> <li>1) The Construction Contractor shall include in the Contract Cost at time of offer submission any and all Allowances stated in the Contract as separate line items. Items covered by Allowances shall be supplied for such amounts and by such persons or entities as the Construction Documents may direct, but the Construction Contractor shall not be required to employ persons or entities against which the Construction Contractor makes reasonable objection. Agency shall approve all use of Allowances through the use of Authority to Use Allowance Form, <b>Exhibit S</b>.</li> <li>2) Allowances shall:             <ol style="list-style-type: none"> <li>a) Cover the Cost to the Construction Contractor of Materials and equipment delivered to the Site and all required taxes, less applicable trade discounts;</li> </ol> </li> </ol>



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	<ul style="list-style-type: none"> <li>b) Construction Contractor's Costs for unloading and handling at the Site, labor, installation Costs, overhead, profit and other expenses contemplated for stated Allowance amounts shall be included in the Contract Cost and not in the Allowances;</li> <li>c) Construction Contractor shall take all reasonable steps to ensure the scope and budget of Allowances are correct. When Costs are more than or less than Allowances, the Contract Cost shall be adjusted accordingly by a Change Order. Construction Contractor shall notify the Agency immediately if the scope selected for the Allowance causes Costs to be more or less than Allowance.</li> <li>d) Amount of Allowance must reflect reasonable Cost of providing the items, whether the item is actually provided.</li> </ul>
<b>11.5 As-Built Drawings</b>	<p>Construction Contractor will review and update the As-Built Drawings on a weekly basis reflecting the changes in Specifications and working Drawings during the Construction of the Work and such updated As-built Drawing shall be made available at the construction site for review by agency and Design Professional. Construction Contractor will submit the fully revised set of Drawings to the Design Professional upon Final Completion of the Work for the Project. Design Professional will incorporate Construction Contractor's red-line drawings and will submit the fully revised set of As-Built Drawings to the Agency upon Final Completion of the Work for the Project.</p>
<b>11.6 Automatic Temperature Control Design</b>	<p>Where applicable, the Design Professional shall specify open protocol automatic Energy Management System (EMS)/HVAC controls systems that communicate with and are interoperable with the Agency system. The Agency's Designated Representative shall arrange an initial meeting to discuss the integration and specification of the EMS/HVAC Control System. The Design Professional shall thereafter incorporate these requirements into Project design and Construction Documents.</p>
<b>11.7 Basic Work, Design Professional Services</b>	<p>Design Professional's Basic Work, as detailed in the Design Professional Services Agreement, shall include but are not limited to, any and all structural, mechanical, civil and electrical engineering Services. If the initial scope of the Project is changed materially by the Agency, the Design Professionals compensation will be equitably adjusted through negotiation upon execution of a contract amendment.</p>
<b>11.8 Bidding Phase</b>	<p>During the Bidding phase, only the Agency Procurement Officer shall receive all requests for interpretation, clarification and modification from Bidders, and log in the date, time, contact information and question in the e-procurement system. The Agency Procurement Officer will forward this information to the Design Professional. The Design Professional and its Subconsultants and/or Subcontractors may answer general questions and collect information from Bidders, but shall not clarify intent or change the Bidding Documents verbally or in writing. The Design Professional and its Subconsultants and/or Subcontractors shall forward a copy of questions they directly received from Bidders to the Agency Procurement Officer. The Agency Procurement Officer sets the deadline for receiving all requests for clarification or interpretation of the Bidding Documents. Questions received after the deadline may be</p>



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	answered at the discretion of the Agency Procurement Officer
<b>11.9 Clean Up of Site</b>	<ol style="list-style-type: none"> <li>1) The Construction Contractor shall at all times keep the premises, Site of construction, surrounding area, and any storage areas neat and clean, and free from accumulation of waste materials or rubbish caused by operation of Work under the Contract.</li> <li>2) At completion of the Work the Construction Contractor shall remove from and about the Project waste materials, rubbish, the Construction Contractor 's tools, construction equipment, machinery, surplus material, and any excess rocks and dirt from the Work, to restore affected areas of Site to a neat and clean condition satisfactory to the Agency Designated Representative.</li> <li>3) If the Construction Contractor fails to clean up, the Agency may do so and the Cost thereof shall be charged to the Construction Contractor.</li> <li>4) Any landscaped seeded or sodded area requiring repair as a result of construction damage shall be leveled, raked, and re-seeded or re-sodded with like material at Construction Contractor 's expense.</li> </ol>
<b>11.10 Compliance with Codes</b>	<p>Contractor shall bear full responsibility for ensuring that the Work performed under the Contract complies with all applicable laws, codes and regulations. In the case of conflicts between codes, the more stringent conditions shall apply. The Arizona Department of Administration Statutory Review is the authority having jurisdiction and is the enforcement agency for code requirements.</p>
<b>11.11 Cooperation and Coordination</b>	<ol style="list-style-type: none"> <li>1) Agency and Design Professional will cooperate and participate fully in coordinating at all levels and among all the parties involved in this Project, and at their own expense. Cooperation shall mean both formal and informal interaction between and among all the parties involved in the Project, including but not limited to, Agency's Representatives, Design Professional's Subconsultants and/or Subcontractors, Construction Contractors, Subcontractor and/or Subconsultants and outside entities as designated by Agency to promote the desired goal of a successful, non-adversarial completion of the Project on time and within budget. The requirement for Cooperation shall not be construed as a change in the terms or conditions of the Contract for the Project.</li> <li>2) The Agency and Construction Contractor shall endeavor to communicate through the Design Professional. Communications by and with the Design Professional 's Subconsultants and/or Subcontractors shall be through the Design Professional. Communications by and with Subcontractor and/or Subconsultants and material suppliers shall be through the Construction Contractor. Communications by and with separate Construction Contractors shall be through the Design Professional.</li> </ol>
<b>11.12 Schedule</b>	<ol style="list-style-type: none"> <li>1) SCHEDULE. The Schedule for Construction and any and all updates thereto shall include time for any and all necessary review and approvals by Agency or outside entities, as well as sufficient time for other Consultants to complete their portion of the Work. The Schedule shall be in a format and provide sufficient detailed information that is acceptable to the Agency. Construction Contractor shall provide the Agency and Design Professional</li> </ol>



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	<p>with an approved baseline Schedule, within a time frame determined by the Agency, to include at a minimum initiation of construction, mobilization, procurement, installation, testing, inspection, delivery of Close-out Documents and Substantial Completion of the Work of the Contract and any other information required in the <u>Special Terms and Conditions</u>.</p> <p>2) ADDITIONAL TIME. Construction Contractor shall bear the primary responsibility for determining whether additional time is required for the review of any orders or amendments to the Contract for Construction; allowing time for Agency review and approval of any such orders or amendments; and is responsible for ensuring that such time is reflected in a modified Schedule in a Change Order.</p> <p>3) CONTRACTOR REVIEW. Contractor shall bear the primary responsibility for ensuring that it was allotted sufficient time in the Schedule for construction for any and all necessary reviews and approvals. The Agency and/or Design Professional shall timely review all requests for information, changes, and submittals in a timely fashion as to not delay the project.</p>
<p><b>11.13 Conformity of Work to Construction Documents Review</b></p>	<p>1) The Design Professional shall review inspection reports, laboratory reports, and test data to determine conformity of such data with the Design Requirements expressed, implied, or depicted in the Contract Documents; approved Shop Drawings, Product Data, and Samples; and Clarification Drawings.</p> <p>2) The Design Professional shall also recommend to the Agency, actions to be taken by the Agency as determined from Design Professional Project Site visits, inspection reports, laboratory reports, and test data or from Construction Contractor proposals, or other relevant documents. Agencies shall have the right, in the event of a dispute over conformity, to conduct an independent evaluation.</p>
<p><b>11.14 Construction Cost Control</b></p>	<p>Throughout the Project, the Design Professional shall keep the Project's estimated construction Cost within the Construction Budget and is responsible to periodically submit to Agency, at review times mutually agreeable to Agency and Design Professional, a current Estimated Project Construction Cost to verify that this is accomplished. Design Professional and Agency shall establish times in the Schedule to review the Construction Budget.</p>
<p><b>11.15 Construction Safety</b></p>	<p>1) INJURIES. In the event of an incident or accident involving outside medical care for an individual on or near the Work, Construction Contractor shall notify Agency Designated Representative and other parties as may be directed promptly, but no later than twenty-four (24) hours after Construction Contractor learns that an event required medical care, supply Agency Designated Representative and Construction Contractor with an incident report no later than thirty-six (36) hours after the occurrence of the event. In the event of a catastrophic incident (one (1) fatality or three (3) or more workers hospitalized), barricade and leave intact the scene of the incident until all investigations are complete. A full set of incident investigation documents, including facts, witness names and statements, finding of cause, and remedial plans shall be provided to Agency Designated Representative within one (1) week after occurrence, unless otherwise directed by Agency.</p> <p>2) ENVIRONMENTAL SAFETY Construction Contractor shall immediately stop Work activities impacted by encountering any previously unknown</p>



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	<p>potentially hazardous Material, or other Materials potentially contaminated by hazardous Material, and secure the affected area, and notify Agency Designated Representative immediately. Agency Designated Representative will promptly engage qualified experts to investigate and issue a written report to Construction Contractor identifying the Material(s) found. The Agency shall remediate and render harmless the hazard caused by Agency or if an unknown and could not have been reasonably foreseen by Construction Contractor.</p> <p>3) TRENCHING AND EXCAVATING PLAN. Construction Contractor is required to submit a trenching and excavation plan to Agency Designated Representative prior to commencing operations unless an engineered plan is part of the Contract Documents.</p> <p>4) ASBESTOS CONTAINING MATERIAL. The Construction Contractor shall not knowingly use, specify, request or approve for use any asbestos containing Materials or lead-based paint in the Work. When a specific product is specified, the Construction Contractor shall endeavor to verify that the product does not include asbestos containing Material.</p> <p>5) Construction Contractor, Subcontractor and/or Subconsultants. employees and all Site visitors, at all times on the job Site, shall furnish and wear sufficient protective gear, including but not limited to, hardhats, safety shoes and safety goggles. Construction Contractor shall also provide temporary protection measures, drinking water and temporary sanitation facilities for use by construction personnel. Construction Contractor shall provide up-to-date Material safety data sheets (MSDS) as required for Materials at the Site. Construction Contractor shall have a detailed site-specific safety plan to address State and Federal safety laws.</p>
<p><b>11.16 Contractor Pre-Award Conference</b></p>	<p>Design Professional shall, participate in a pre-award meeting to include review of Construction Contractors' submittals which are received with the signed Agreement of the Construction Contractor.</p> <p>Design Professional shall submit, prior to the bid date, a complete list of all submittals required by the Contract Documents listed by individual specification sections.</p>
<p><b>11.17 Construction Meetings</b></p>	<p>Design Professional shall attend regular construction meetings with the Agency and Construction Contractor at the Project Site with duration and frequency determined by the Agency for the Project.</p>
<p><b>11.18 Correction of Defects and Non-Compliant Work</b></p>	<p>1) Construction Contractor shall use due care in inspections and observations to determine non-conformance.</p> <p>2) Design Professional shall keep agency informed of progress and quality of Work and use due care to guard against defects and deficiencies in Construction Contractor's Work. Should the Design Professional and/or the Agency Designated Representative identify Work as noncompliant with the Contract Documents, upon notice Construction Contractor shall immediately correct such Work at no additional Cost to the Agency. The approval of Work by either Design Professional or Agency Designated</p>



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- Representative does not relieve Construction Contractor from the obligation to comply with all requirements of the Contract Documents.
- 3) Construction Contractor shall take any and all steps to meet the requirements of the Project Specifications. If Construction Contractor fails to do so, the Agency will require correction and full compliance. After corrective action is taken, the Agency will retest to determine compliance with the Specifications. Construction Contractor shall be responsible for the Cost of the additional testing and inspections, and such Cost shall be deducted from progress payment to Construction Contractor.
  - 4) Construction Contractor shall, at no additional Contract Cost and without entitlement to extension of any delivery deadline or specified time for performance, remove or exchange and replace any defective or non-conforming delivered or installed Materials or Work.
  - 5) Construction Contractor shall bear the expense of making good all Work of Agency other contractors destroyed or damaged by removal or replacement of defective Construction Contractor Work. Agency shall equally enforce this clause against any Agency other contractors.
  - 6) If Construction Contractor fails to take prompt action to comply with the Contract Documents in a timely manner, as determined by the Agency, Agency will be entitled to exercise its remedies under paragraph 8.6 [Right of Offset] of the Uniform Terms and Conditions, or any other remedies set forth in the Contract.
  - 7) Whether Agency will permit Construction Contractor to repair in place or demands that Construction Contractor remove and replace is at Agency's discretion in each instance, provided that, Agency shall not apply that discretion punitively if repair in place is practicable and doing so would not create safety hazards, put property at risk, unreasonably interfere with operations, create public nuisance, or give rise to any other reasonable concern on Agency's part.
  - 8) AGENCY ACCEPTANCE OF DEFECTIVE WORK. At the absolute discretion of the Agency, the Agency may decide to accept defective Work, instead of requiring correction or removal and replacement of defective Work. Construction Contractor shall pay all claims, Costs, losses and damages attributable to Agency's evaluation of and determination to accept such defective Work. If any such acceptance occurs prior to recommendation of final payment, a Change Order will be issued incorporating the necessary revisions in the Contract Documents and compensating the Agency for the diminished value of the project resulting from the defective Work. If the acceptance occurs after such recommendation, an appropriate amount will be paid by Construction Contractor to Agency after a calculation by Agency of the diminution in value of the project resulting from defective Work.
  - 9) The Construction Contractor's obligations to perform Warranty Work will survive the acceptance of any Work and any termination of the Contract.
  - 10) CONSTRUCTION CONTRACTOR NON-COMPLIANT WORK. Should the Design Professional and/or the Agency Designated Representative identify Work as noncompliant with the Contract Documents, Design Professional and/or

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Agency Designated Representative shall communicate the finding to Construction Contractor, and Construction Contractor shall correct such Work at no additional Cost to the Agency. The approval of Work by either Design Professional or Agency Designated Representative does not relieve Construction Contractor from the obligation to comply with all requirements of the Contract Documents.

- 11) AGENCY MAY CORRECT NON-COMPLIANT WORK. Agency shall issue a written notice to Construction Contractor to correct and remedy any deficiency including but not limited to
  - a) Remove and replace rejected Work, or
  - b) Construction Contractor failure to perform Work in accordance with the Contract Documents; or
  - c) Construction Contractor fails to comply with other provisions of the Contract Documents.
- 12) If, in the opinion of the Agency, significant progress to correct the deficiency by the Construction Contractor has not been made, within seven (7) days, the Agency may exercise any actions necessary to remedy the deficiency including but not limited to:
  - a) Exclude Construction Contractor from all or part of the Site;
  - b) Take possession of all or part of the Work, and
  - c) Suspend Construction Contractor's services related thereto, and
  - d) Incorporate in the Work all Materials and equipment stored for the Project at the Site or for which Agency has paid Construction Contractor but which are stored elsewhere.
  - e) Hire a replacement contractor or take other measures that are reasonably necessary to correct the noncompliant Work. Any and all Costs incurred shall be paid by the Construction Contractor or deducted from any amounts due or that may be due Construction Contractor under this or any other contract with the State of Arizona. Costs, shall include, but not be limited to, repair and replacement Costs, labor and material Costs, removal Costs, design Costs, administrative expenses, and any other Costs and expenses caused by Construction Contractor's non-compliance.
- 13) Construction Contractor shall allow the Agency, its agents and employees, Agency's other Construction Contractors, Construction Contractors and Subconsultants and/or Subcontractors access to the Site to enable Agency to exercise the rights and remedies under this paragraph. All claims, Costs, losses and damages incurred or sustained by the Agency in exercising such rights and remedies will be charged against Construction Contractor and a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the Work. Such claims, Costs, losses and damages will include but not be limited to all Costs of repair or replacement of Work of others destroyed or damaged by correction, removal or replacement of Construction Contractor's defective Work. Construction Contractor shall not be allowed an extension of the Contract times (or Milestones), or claims of damage because of any delay in the performance of the Work attributable to the exercise by Agency of Agency's rights and remedies hereunder.
- 14) CONSTRUCTION CONTRACTOR NON-COMPLIANT WORK. If the

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	<p>Construction Contractor Materially fails to furnish services in compliance with the approved Project Schedule or any subsequently approved amendments to the Schedule or the Construction Contractor’s services, or deliverables are unusable for their intended purpose and these failures are a Material breach of this Contract, then Agency, in its reasonable discretion, and after failure of Construction Contractor to respond to the Notice to Cure, may Contract with another Construction Contractor to complete the services or Work product, and Construction Contractor shall pay the Agency for the difference between the balance under Construction Contractor’s Contract with Agency and the amount charged by the replacing Construction Contractor to complete Construction Contractor’s Scope of Work.</p> <ol style="list-style-type: none"> <li>a) Agency will provide Construction Contractor with the itemized Costs as they are being incurred.</li> <li>b) Prior to contracting with another Construction Contractor, the Agency shall provide Consultant with a Notice to Cure, as described in these Uniform Terms and General Conditions.</li> <li>c) Should the Construction Contractor failure to Cure the Material breaches of this Contract, as identified in the Notice to Cure, the Agency may pursue any of the available remedies for breach of Contract available in Section 8 above.</li> <li>d) It is understood that if the Construction Contractor materially breaches this Contract and the Agency Terminates for Default under this Contract, Construction Contractor shall not be entitled to any sums due or that may become due under this Contract.</li> </ol>
<p><b>11.19 Demolition Plan</b></p>	<p>Demolition Plan (whenever a Project requires the demolition of a building or portions thereof). Design Professional shall differentiate between new Work (walls, doors, finishes, and so on), existing Work to be removed, and existing Work to remain in place.</p>
<p><b>11.20 Design Development</b></p>	<p>Design Professional shall provide conceptual civil, landscape, architectural, structural, plumbing, mechanical, electrical drawings as required for the Design Requirements of the Work.</p>
<p><b>11.21 Design Professional Agreements, Communication</b></p>	<p>The Agency will ensure that Design Professionals receive the necessary communication from other Construction Contractors to perform the required Work, and shall promptly notify Design Professionals of any and all communications that the Agency determines may materially affect the Design Professional’s Work.</p>
<p><b>11.22 Design Schematics</b></p>	<p>Design Professional shall prepare and submit to Agency diagrammatic drawings which delineate the design criteria (e.g., exit paths, travel distances, required exits, rated walls, rated corridors, building occupancy, construction type, and fire zones). This graphic documentation of the design criteria shall be updated with each subsequent submittal.</p>
<p><b>11.23 Energy Efficiency</b></p>	<p>Upon request by the Agency, Design Professional will analyze the Work or related components for energy efficiency gains including, but not limited to Life Cycle Costing, pursuant to A.R.S. 34-452.</p>
<p><b>11.24 Examination of Site</b></p>	<ol style="list-style-type: none"> <li>1) The Contractor acknowledges that it has taken steps reasonably necessary to ascertain the nature and location of the Work, and that it has investigated and satisfied itself as to the general and local conditions which can affect the Work or its Cost. Contractor and its key personnel</li> </ol>





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	<p>shall visit the Project Site to become familiar with existing Site conditions for the Agency Project and visually survey for coordination of the Work, which may include but not limited to, the Site location and size, Site and adjacent perimeter, utility capacities, conditions bearing upon transportation, disposal, handling, and storage of Materials, the conformation and conditions of the ground, the character of equipment and facilities needed preliminary to and during Work performance, and connection options of external utilities, all relevant areas of any existing buildings to be altered, ceiling, interior, exterior, and concealed spaces, prior to submitting an Offer for the Work.</p> <ol style="list-style-type: none"> <li>2) The Contractor shall take field measurements and verify field conditions and shall carefully compare such field measurements and conditions and other information known to the Contractor with the solicitation prior to bid submittal and Contract before commencing Work.</li> <li>3) The Contractor acknowledges that it has satisfied itself as to the character, quality, and quantity of surface and subsurface Materials or obstacles to be encountered insofar as this information is reasonably ascertainable from an inspection of the Site, including all exploratory Work done by the Agency, as well as from the drawings and specifications made a part of this Contract. Any failure of the Contractor to take the actions described and acknowledged in this paragraph will not relieve the Contractor from responsibility for estimating properly the difficulty and Cost of successfully performing the Work, or for proceeding to successfully perform the Work without additional expense to the Agency.</li> <li>4) The Agency assumes no responsibility for any conclusions or interpretations made by the Contractor based on the information made available by the Agency. Nor does the Agency assume responsibility for any understanding reached or representation made concerning conditions which can affect the Work by any of its officers or agents before the execution of this contract, unless that understanding or representation is expressly stated in this Contract.</li> </ol>
<p><b>11.25</b>      <b>Forced Substitutions</b></p>	<p>Forced substitutions will not be permitted; Contractor shall obtain Agency's prior written consent before making any substitution for any Material or Service covered by the Contract.</p>
<p><b>11.26</b>      <b>Inclement Weather Day</b></p>	<ol style="list-style-type: none"> <li>1) RAIN DELAY. Construction Contractor bears the risk of rainfall activity unless delayed on a critical path for more than 7 days.</li> <li>2) Construction Contractor shall immediately notify the Agency Designated Representative on the day, and any subsequent days throughout the Project, the Construction Contractor is unable to perform Work at the Site on the critical path for more than seven (7) continuous normal Work hours due to inclement weather or rain. The Agency Designated Representative shall confirm the weather conditions and provide a written confirmation to the Construction Contractor.</li> <li>3) Construction Contractor shall submit to the Design Professional and</li> </ol>



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	<p>Agency Designated Representative for review a Change Order Request with the number of days the Construction Contractor is requesting a no Cost time extension for Substantial Completion for inclement weather or rain in excess of normal rain fall, along with documentation of the weather days that occurred, and the impact on the critical path Work no later than the end of the month in which the inclement weather day or days occurred. Failure of Construction Contractor to submit a Change Order Request in accordance with this paragraph requirement shall constitute a waiver of additional time for Substantial Completion. Agency Representative shall be the final decision maker on the number of inclement weather days in any Construction Contractor properly submitted Change Order Request for extension of time for Substantial Completion in the event of disagreement between the Construction Contractor and Agency Designated Representative. Average days of rain per month will be determined by meteorological data obtained from the closest National Weather Service Station to the Project Site.</p>
<p><b>11.27 Inspection and Material Testing</b></p>	<ol style="list-style-type: none"> <li>1) All Materials and equipment used in the construction of the Project shall be subject to inspection and testing in accordance with generally accepted standards, as required and defined in the Contract Documents.</li> <li>2) CONSTRUCTION CONTRACTOR RESPONSIBILITIES. Construction Contractor shall provide, at Construction Contractor’s expense, the testing and inspection services required by the Contract Documents. Construction Contractor shall provide such equipment and facilities as are required for conducting field tests and for collecting and forwarding samples of sufficient size for test purposes. No Materials or equipment represented by samples are to be used until tests, if required, have been made and the Materials or equipment are found to be acceptable.</li> <li>3) UNFIT FOR USE AFTER APPROVAL. Any Material which becomes unfit for use after approval thereof shall not be incorporated into the Work. Approvals or failures to properly inspect or test shall not relieve Construction Contractor from its obligation to perform the WORK in accordance with the requirements of the Contract Documents and to also inspect Construction Contractor’s own Work. Failure to discover, inspect, or timely report shall not excuse Construction Contractor from full performance of the Work.</li> <li>4) TIMELY NOTICE. Construction Contractor shall notify Agency Designated Representative and/or Design Professional in writing if any Work will need to be inspected, tested, or approved by someone other than Construction Contractor. Construction Contractor shall coordinate with the Agency and Design Professional well in advance of such testing, inspection, or approval process. Should an inspection, test, or approval be required under this paragraph, Construction Contractor shall bear the sole responsibility for updating the Progress Schedule.</li> <li>5) NON-CANCELLATION OF SCHEDULED INSPECTIONS. Construction Contractor shall bear all Costs, for any and all instances, in which Construction Contractor fails to cancel no less than twenty-four</li> </ol>



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<p><b>11.28 Inspection of Work by Design Professional</b></p>	<p>(24) hours in advance any Construction Contractor scheduled</p> <ol style="list-style-type: none"> <li>1) Design Professional is responsible for inspection activity and shall use due care to observe the Work as Work progresses and determine whether or not Construction Contractor’s Work or any part of Work is defective or fails to conform to standards of the trade and generally accepted standards for such Work defined in the Contract Documents. Work will be compared to the Drawings and Specifications and any and all supplemental Drawings and Specifications for the Project.</li> <li>2) Design Professional shall provide technical direction to, and interpretation of, the Contract Documents for inspectors and advise inspectors of decisions rendered.</li> <li>3) Any inspectors, acting under the direction of Agency’s Designated Representative, or Design Professional will: <ol style="list-style-type: none"> <li>a) Be responsible for milestone inspections (spot checks) to assess compliance with the requirements of the Contract Documents.</li> <li>b) Prepare a written report following each milestone inspection. The inspector shall notify the Agency’s Designated Representative when Work that does not comply with the Contract Document requirements is observed in the field. Observed instances of noncompliance shall be noted in the inspector’s report.</li> <li>c) Comment in subsequent inspector’s reports on whether or not instances of noncompliance have been corrected.</li> <li>d) Participate in Punch List inspections for partial occupancy, Substantial Completion and final completion.</li> <li>e) Assist Agency Designated Representative in reviewing test and inspection results from testing laboratories.</li> <li>f) If Agency contracts for specialty inspection services, the inspector shall report the results of these inspections to Agency’s Designated Representative.</li> <li>g) Not authorize deviations from the Contract Documents.</li> <li>h) Not advise or issue directions to Construction Contractor regarding any aspect of construction means, methods, techniques, sequences, or procedures or regarding safety programs in connection with the Project.</li> </ol> </li> </ol>
<p><b>11.29 Issue Addenda</b></p>	<ol style="list-style-type: none"> <li>1) Interpretation, clarification, and modification of the Contract Documents shall be issued only in the form of an Addendum to the Contract Documents. Design Professional shall furnish the information required to the Agency Procurement Officer for issuance of Addenda.</li> <li>2) Design Professional is responsible for receiving, reviewing, approving, coordinating, and incorporating addenda items received from the Subconsultants and/or Subcontractor(s) into a single addendum document prior to submitting this document to the Agency Procurement Officer.</li> <li>3) Addenda shall be submitted to the Agency Procurement Officer in the same format as the Construction Documents.</li> <li>4) Design Professional shall provide to the Agency at the end of the Bidding phase the following documents with changes identified as follows. <ol style="list-style-type: none"> <li>a) In the Specifications, all additions shall be shown in bold underline and all deletions shown in strikethrough.</li> <li>b) In the Drawings, changes shall be “clouded.”</li> <li>c) One set of individual Construction Drawings and sections of the Specifications which were altered by Addenda.</li> <li>d) One complete set of Construction Drawings and Specifications that</li> </ol> </li> </ol>



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	fully integrate all addenda items.
<p><b>11.30 Key Personnel</b></p>	<ol style="list-style-type: none"> <li>1) <b>AUTHORITY.</b> The Contractor shall designate which of its employees have the authority to enter into agreements with the Agency on behalf of the Contractor, and which of its employees, its, Subconsultants and/or Subcontractors, will bear the primary responsibility for the completion of the Work.</li> <li>2) <b>REMOVAL OF PERSONNEL.</b> Notwithstanding that Contractor is in every circumstance responsible for hiring, assigning, directing, managing, training, disciplining, and rewarding its personnel, Agency may at its discretion and, without the obligation to demonstrate cause, instruct Contractor to remove any of its personnel from Agency's facilities or from further assignment under the Contract. In such cases, Contractor shall promptly replace them with other personnel having equivalent qualifications, experience, and capabilities. The Agency Designated Representative may require, in writing, that the Contractor remove from the Work any employee the Agency Designated Representative deems incompetent, careless, or otherwise objectionable.</li> <li>3) <b>STATEMENT OF QUALIFICATIONS.</b> At every stage of the Project, Design Professional guarantees that Key Personnel will have the minimum skills and qualifications listed in the most recent Statement of Qualifications the Design Professional submitted to the State.</li> <li>4) <b>PERSONNEL SUBSTITUTIONS.</b> Contractor shall not be permitted to substitute Contractor Key Personnel, or Subconsultants and/or Subcontractors after offer submittal, without the prior written approval of the Agency Designated Representative. Requests shall be made in writing detailing the reasons for the requested change and shall not commence without written approval from Agency. The Agency has the right to the same kind and quality of the employee initially offered.</li> <li>5) <b>ROLE APPROVALS.</b> Contractor Key Personnel designated in <u>Offer Documents</u> shall be deemed approved for the roles and responsibilities stated unless expressly stated otherwise by the Agency prior to execution of the Contract.</li> </ol>
<p><b>11.31 Labor and Materials</b></p>	<ol style="list-style-type: none"> <li>1) Construction Contractor shall perform Work during regular business hours unless such non-normal Work hours are required by the Contract Documents and not permit overtime work. Agency Designated Representative may approve alternate Work hours that neither add additional Cost nor time to the Contract Cost or Project Substantial Completion.</li> <li>2) All equipment, Materials, and articles incorporated into the Work covered by this Contract shall be new and of the most suitable grade for the purpose intended, shall be stored, applied, installed, connected, erected, used, cleaned and conditioned by Construction Contractor in accordance with the instructions of the applicable manufacturer, fabricator, supplier or distributor, unless otherwise specifically provided in the Contract Documents.</li> <li>3) References in the Specifications to equipment, Materials, articles, or patented processes by trade name, make, or catalog number, shall be regarded as establishing a standard of quality, function, and type, and shall not be construed as limiting competition.</li> <li>4) All Work under this Contract shall be performed in a skillful and workmanlike manner. Construction Contractor shall provide competent, suitably qualified personnel to survey, layout, and construct the Work as required by the Contract Documents and maintain good discipline and order at the Site at all times.</li> <li>5) Construction Contractor is solely responsible for construction means, methods, techniques, sequences or procedures, for safety precautions and programs, protection of installed Work, for coordinating all portions of the Work under the Contract and quality controls in connection with the Work. and will utilize the above so as not to destroy materials for reuse or to remain the property of the Agency</li> <li>6) The Construction Contractor shall be responsible for all Materials delivered and Work performed until completion and acceptance of the entire Work, except for any completed unit of Work which may have been partially accepted under the Contract. Construction Contractor shall remain responsible for the care and protection of Materials and Work in the areas where Punch List items are completed until Final Completion.</li> <li>7) The Construction Contractor shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, drinking water, water, heat, ventilation, utilities, barricades, lighting, construction and warning signs, temporary fire protection, transportation, temporary facilities, fencing, appliances, fuel, power, light, heat, telephone,</li> </ol>



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	<p>sanitary facilities, and services necessary for the construction, performance, testing, start-up, inspection and completion of the Work. Any temporary sanitation facilities shall be serviced a minimum of one (1) time weekly.</p> <ol style="list-style-type: none"> <li>8) Construction Contractor shall install and maintain temporary fencing with lockable gates as indicated or directed by the Agency Designated Representative.</li> <li>9) Materials, equipment or items required for Work which are shown on the Drawings but not mentioned in the Specifications or Materials, equipment or items required by the Specifications but not shown on the Drawings, shall be furnished and installed the same as though both shown on the Drawings and required by the Specifications.</li> <li>10) Materials as-shipped must comply with applicable safety regulations and standards. Unless expressly stated otherwise in the <u>Scope of Work</u>, Agency is not responsible for making any Materials safe or compliant following acceptance and is relying exclusively on Construction Contractor to deliver and install only products that are already safe and compliant.</li> <li>11) Construction Contractor shall pursue with diligence the procurement of any long-lead-material or equipment required for the Work and provide the Agency Designated Representative with an anticipated and consistently updated schedule for the delivery.</li> <li>12) Materials and equipment procured and installed by the Construction Contractor shall be in accordance with Specifications and derived from the energy life cycle Cost analysis pursuant to the latest revision of A.R.S. §34-452.</li> <li>13) For any Agency furnished equipment or Material that will be in the care, custody, and control of Construction Contractor, Construction Contractor is responsible for damage or loss. Agency shall deliver to Construction Contractor a complete list and respective values of such Materials or equipment and make an equitable adjustment to the contract amount for any increase in Cost of Builder's Risk insurance.</li> <li>14) Construction Contractor shall provide and install weather-tight or temporary enclosures for protection of in progress and completed construction Work from exposure and weather. Construction Contractor shall remove protection when no longer needed.</li> <li>15) Construction Contractor shall store Materials in their original packaging with any and all seals and labels intact and visible.</li> <li>16) Construction Contractor shall remove Agency-salvaged items with care and in a workmanship-like manner and deliver items not being reinstalled, ready for use, to a nearby area as instructed by the Agency Designated Representative.</li> </ol>
<p><b>11.32 Life Cycle Cost Analysis</b></p>	<p>Upon the request of the Agency, the Design Professional shall perform Life Cycle Cost Analysis (LCCA) to evaluate alternative Materials and systems by preparing an economic assessment of all significant Costs of ownership over the economic life.</p>
<p><b>11.33 Management and Supervision of the Work, Design Professional Service</b></p>	<p>Design Professional shall bear the primary responsibility for the management and supervision of the Work for Design. At a minimum, the Design Professional shall regularly consult with the Agency and receive any and all necessary Agency approvals; provide updated Cost estimates and gain approval for any material changes to Cost estimates through a Change Order prior to incurring those Costs; thoroughly research all the design elements upon which the Work relies; attend meetings related to the Work; communicate fully with all Construction Contractors, as necessary and appropriate; and provide the Agency with regular reports on the status of the Work.</p>
<p><b>11.34 Meeting Minutes</b></p>	<p>Design Professional or Agency authorized design professional substitute, shall attend and draft complete minutes of each Project design and construction meeting between Design Professional, Agency and Construction Contractor, and submit them to Agency for approval within five (5) calendar days after each Project conference.</p>
<p><b>11.35 Observations</b></p>	<p>Design Professional, Agency Designated Representative, and/or Construction Contractor observations shall be for the purpose of ascertaining the progress of the Work, to include but is not limited to, the character, scope, quality and detail of construction (including workmanship and Materials) compliance with the design expressed in the Contract Documents, directives of the Agency</p>



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	<p>Designated Representative, approved product data and samples and clarification drawings. Observations shall be separate from any inspections which may be provided by the Agency. Any Agency provision of inspection services, if any, shall not relieve Design Professional of its responsibilities under this Contract.</p>
<p><b>11.36 Outline Specifications</b></p>	<ol style="list-style-type: none"> <li>1) Design Professional shall outline specifications with a detailed description of all building components and systems shall include:             <ol style="list-style-type: none"> <li>a) An index showing all divisions and sections intended to be used. The format shall be that recommended by the Construction Specifications Institute (CSI), narrow scope type.</li> <li>b) All technical sections in outline specification format (Part 2 of a narrow scope CSI specification).</li> </ol> </li> <li>2) Organization of the Specifications into divisions, sections and articles, and arrangement of Drawings shall not control the Construction Contractor in dividing the Work among Subcontractor and/or Subconsultants or in establishing the extent of Work to be performed by any Subcontractor and/or Subconsultant.</li> </ol>
<p><b>11.37 Pre-Bid Conference Site Visit</b></p>	<p>Agency's Procurement Officer may conduct, and Design Professional and its Subconsultants and/or Subcontractors shall attend and participate in pre-bid conferences and pre-bid Site visits with potential bidders to help identify questions that bidders may raise during the Bidding phase. Questions from prospective Bidders shall be collected by the Agency's Procurement Officer during these conferences and Site visits. No questions shall be answered at these events which require interpretation, clarification or modifications of the Contract Documents</p>
<p><b>11.38 Preconstruction Conference</b></p>	<p>Agency may conduct a Preconstruction conference after Contract award and before Construction Contractor starts Work at the Project Site. Conference discussion will establish the lines of communication among the parties as to the Work, coordination of Work, and procedures and handling of the Schedule of Values, Shop Drawing and other submittals, Construction Schedule, and Payment Application processing. The Construction Contractor, Construction Contractor's Superintendent, and Construction Contractor's designated safety officer shall attend the Pre-Construction Conference. The Design Professional shall attend if requested by Agency.</p>
<p><b>11.39 Program and Budget Review</b></p>	<p>Agency will furnish the Project program to Design Professional at the start of Schematic Design. Design Professional shall evaluate the Project's programmatic requirements, promptly call attention to any discrepancy contained therein, and request direction from the Agency's Designated Representative.</p>
<p><b>11.40 Project Closeout</b></p>	<p>Construction Contractor shall submit Project Close Out documents as listed in Exhibit M in appropriate quantities as indicated in the Contract Documents to the Construction Contractor. Construction Contractor shall ensure documents are complete and accurate and provide written acceptance to the Agency. Construction Contractor shall not submit final Application for Payment until documents are accepted by the Agency.</p>
<p><b>11.41 Proposed Change Order Review</b></p>	<ol style="list-style-type: none"> <li>1) During performance of Construction Phase Services, the Design Professional shall review Construction Contractor's proposed Change Order(s) for fairness of pricing and make recommendations to the Agency on fairness of pricing for the Materials and Work.</li> <li>2) Any Construction Contractor proposed Change Order shall include the estimate of Cost and of probable effect of delay on progress of the Work if any.</li> </ol>
<p><b>11.42 Proprietary Specifications</b></p>	<ol style="list-style-type: none"> <li>1) Under A.R.S. § 34-104, if a Design Professional or the Agency includes bidding, contracting, or purchasing specifications that are proprietary to one supplier, distributor, or manufacturer, then the details of the essential characteristic of that product will be included in the <u>Special Terms and General Conditions</u> with a statement indicating that the Design</li> </ol>



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	<p>Professional shall consider alternative products which have the aforementioned desired essential characteristics.</p> <ol style="list-style-type: none"> <li>2) Design Professional shall consider, and either approve or reject, any and all alternative product proposals that are submitted at least eight (8) days prior to the deadline for receiving bids for this Solicitation. If any alternative product proposal is approved, the Design Professional shall modify the bidding documents to include the alternative product proposal by the end of the fifth day prior to the deadline for receiving bids and publish the documents that same day. If the Design Professional rejects any alternative product proposal, the Design Professional shall provide the Agency with notice of that rejection, including the details of the alternative product proposal, prior to the deadline for receiving bids.</li> <li>3) No modifications shall be made without the approval of the agency</li> </ol>
<p><b>11.43 Quality Assurance</b></p>	<p>The Design Professional person or firm shall have a well-coordinated internal Quality Assurance program for review of documents, plan check, and incorporates the Agency’s drawings and specification requirements to assure consistent submittal to Statutory Review.</p>
<p><b>11.44 Record Documents</b></p>	<ol style="list-style-type: none"> <li>1) UPDATING RECORD DOCUMENTS. Design Professional or other party specified by the Agency Designated Representative shall be responsible for updating the Record Documents for all Construction Contractor initiated documents and changes to the Contract Documents due to coordination and actual field conditions, including RFIs. Design Professional shall be responsible for updating the Record Documents for any addenda, Change Orders, Design Professional supplemental instructions and any other alterations to the Contract Documents generated by Design Professional or Agency.</li> <li>2) MAINTAIN AT SITE. Construction Contractor shall maintain at the Site one copy of all Drawings, Specifications, addenda, approved submittals, Contract modifications, Schedules and all Project correspondence and provide Agency and Design Professional access to these documents for reference and examination. Contractor shall keep current and maintain Drawings and Specifications in good order with postings and markings to record actual conditions of Work and show and reference all changes made during construction and reflect the actual field conditions and representations of the Work performed, whether it be directed by addendum, Change Order or otherwise.</li> <li>3) MONTHLY UPDATE. Record Documents shall be updated a minimum of monthly prior to submission of a Payment Application or as otherwise directed by Agency. Construction Contractor failure to maintain current Record Documents shall constitute cause for Agency denial of a Progress Payment otherwise due.</li> <li>4) TRANSFER OF RECORD DOCUMENTS TO AGENCY. Construction Contractor shall furnish a copy of its marked-up Record Documents and a preliminary copy of each instructional manual, maintenance and operating manual, parts catalog, wiring diagrams, spare parts, specified written warranties</li> </ol>



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	<p>and like publications, or parts for all installed equipment, systems, and like items and as described in the Contract Documents prior to requesting Substantial Completion inspection with the Design Professional.</p> <p>5) After review by the Design Professional and acceptance by the Agency Designated Representative, one (1) electronic media copy and one (1) reproducible copy of the Record Documents shall be provided in the format designated by the Agency Designated Representative.</p> <p>6) PREPARATION OF RECORD DOCUMENTS. Record Documents shall be carefully and neatly prepared by a competent drafter familiar with the Work.</p>
<p><b>11.45 Requirements at Location</b></p>	<p>1) Contractor acknowledges that the location of its Work for the Project might be inside an industrial building, institutional building, or one of various office types and classes and Contractor personnel shall conduct themselves cordially and professionally with Agency personnel and the public.</p> <p>2) When performing the Work requires Construction Contractor personnel to Work inside a secured perimeter at certain institutional facilities such as prisons where prior clearances are required, Construction Contractor shall contact the facility directly to confirm its most-current security clearance procedures, allowable hours for Work, visitor dress code, and other applicable rules. Agency will neither allow extra charges for wait time, comebacks, or the like nor excuse late performance if Construction Contractor has failed to make the confirmation or comply with the applicable conditions.</p> <p>3) Construction Contractor shall ensure Construction Contractor personnel and Subconsultants and/or Subcontractors performing Work at the Project Site:</p> <ol style="list-style-type: none"> <li>a) Park in any assigned location at the Site;</li> <li>b) Have proper State or federal issued identification within their possession at all times;</li> <li>c) No eating, drinking, or smoking except in designated areas.</li> <li>d) Construction Contractor shall adequately monitor and control noise levels.</li> </ol>
<p><b>11.46 Schedule of Values</b></p>	<p>Prior to the execution of Work, the Construction Contractor shall submit to the Design Professional and Agency for approval a Schedule of Values (See <b>Exhibit R</b>) allocated to various portions of the Work, prepared in such form and supported by such data to substantiate its accuracy. This Schedule of Values, unless objected to by the Design Professional and/or Agency Designated Representative, shall be used as a basis for reviewing the Construction Contractor's Payment Applications. The Schedule of Values shall include quantities and unit prices aggregating the Contract Cost, and for lump sum items shall subdivide the Work into component parts in sufficient detail to serve as the basis for Progress Payments during construction.</p>
<p><b>11.47 Shop Drawings, Product Data and Samples</b></p>	<p>1) The Construction Contractor shall maintain at the Site for the Agency one record copy of the Drawings, Specifications, addenda, Change Orders and other Modifications, in good order and marked currently to record changes and selections made during construction, and in addition approved Shop Drawings, Product Data, Samples and similar required submittals. These shall be available to the Design Professional and/or Agency and shall be delivered to the Design Professional for submittal to the Agency upon completion of the Work.</p> <p>2) Shop Drawings, Product Data, Samples and similar submittals are not Contract Documents. The purpose of their submittal is to demonstrate for those portions of the Work for which submittals are required the way the Construction Contractor proposes to conform to the information given and the design concept expressed in the Contract.</p> <p>3) The Construction Contractor shall perform no portion of the Work requiring submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been reviewed and approved or other appropriate action taken by the Design Professional and/or Agency. Such Work shall be in accordance with approved submittals.</p>





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	<ol style="list-style-type: none"> <li>4) The Construction Contractor shall not be relieved of responsibility for deviations from requirements of the Contract by the Design Professional's and/or Agency's review and approval of Shop Drawings, Product Data, Samples or similar submittals unless the Construction Contractor has specifically informed the Design Professional and/or Agency's in writing of such deviation at the time of submittal and the Design Professional and/or Agency has given written approval to the specific deviation. The Construction Contractor shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples or similar submittals by the Design Professional's and/or Agency's approval thereof.</li> <li>5) The Construction Contractor shall direct specific attention, in writing or on resubmitted Shop Drawings, product Data, Samples or similar submittals, to revisions other than those requested by the Design Professional on previous submittals.</li> <li>6) When professional certification of performance criteria of Materials, systems or equipment is required by the Contract, the Construction Contractor shall be entitled to rely upon the accuracy and completeness of such calculations and certifications but shall use due care and identify and notify the Agency of any palpable errors.</li> <li>7) Construction Contractor shall submit Shop Drawings to the Design Professional and State Fire Marshall or appropriate authority having jurisdiction for any required modifications to sprinkler or alarm system Work.</li> <li>8) Construction Contractor will update to show actual conditions for Work specified and shall submit final Shop Drawings to Agency.</li> </ol>
<p><b>11.48 Special Inspections and Testing</b></p>	<p>The Design Professional shall recommend special inspection or testing and any retesting of the Work in accordance with the provisions of the Contract Documents if, in Design Professional's reasonable opinion, such inspection or testing or retesting is necessary or advisable for the implementation of the Contract Documents, regardless of the state of completion of the Work subject to such inspection or testing or retesting.</p>
<p><b>11.49 Specification Submittal Requirements; Design Professional</b></p>	<ol style="list-style-type: none"> <li>1) Specifications shall be in CSI format. Each specification section shall be saved as a document file named with the corresponding Master format number (e.g., 134010.doc).</li> <li>2) Design Professional shall submit a list of each item of equipment and/or each system to be designated as sole source by the notation in the documents, "or equivalent (no known equivalent)". This list shall include the following information:             <ol style="list-style-type: none"> <li>a) Description of each item of equipment and/or each system;</li> <li>b) Provide estimated Cost of each item of equipment and/or each system; Agency Procurement Officer shall write determination justification as to why each item of equipment and/or each system needs to be from a sole brand name or source.</li> <li>c) Include brief performance specifications detailing those features which, because they are unique or state-of-the-art, or the preclude use of an alternative product.</li> </ol> </li> <li>3) Specifications shall be:             <ol style="list-style-type: none"> <li>a) Complete, coordinated and consistent with each other and the drawings.</li> <li>b) Coordinated with the Agency's General Conditions and Requirements.</li> <li>c) Written for a two-party Contract between the Agency and the Contractor.</li> <li>d) Written with open specifications for material and equipment except in specifically permitted exceptions in conjunction with Agency Procurement Officer's approved written determination of sole brand name or source.</li> </ol> </li> </ol>
<p><b>11.50 Statutory Review</b></p>	<ol style="list-style-type: none"> <li>1) The Design Professional shall design and prepare the Construction Documents in compliance with all applicable laws, codes, regulations, and generally accepted engineering and design standards, and shall incorporate any and all Agency Standards where applicable to their Work.</li> <li>2) The Design Professional shall submit final Construction Documents for review to the Agency Designated Representative for submittal to the Statutory Review. Design Professional shall verify presentation requirements for the review with the Agency's Designated Representative. The Arizona Department of Administration Statutory Review is the authority having jurisdiction and is the enforcement agency for code requirements.</li> <li>3) The initial submission fee and one (1) re-review fee for submission to the Statutory Review may be paid by the Agency or paid by Design Professional from a part of a Reimbursable Expense as requested by the Agency. Any subsequent submission fees shall be paid by the</li> </ol>



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	<p>Design Professional firm in accordance with the Solicitation Performance Guarantee requirements.</p> <p>4) Design Professional shall give Agency sufficient rights and privileges to use to any and all Design Professional Work in furtherance of the Scope of Work including, but not limited to, distribution and submission of Design Professional Work</p> <p>5) A State Inspector will conduct regular inspections and the Work must be in compliance before permanent occupancy will be allowed. Regular inspections must be performed at each stage of construction prior to concealment or cover.</p>
<p><b>11.51 Structural, Mechanical, Electrical, Calculations</b></p>	<p>Design Professional shall provide Agency the Project structural, mechanical, and electrical calculations upon request. Calculations shall be checked and stamped by an engineer registered in the applicable discipline.</p>
<p><b>11.52 Submittal Register</b></p>	<p>The Construction Contractor shall prepare and keep current, for the Design Professional's approval, a schedule of submittals which is coordinated with the Construction Contractor's Schedule and allows the Design Professional reasonable time to review Submittals.</p>
<p><b>11.53 Substantial and Final Completion</b></p>	<p>1) When the Construction Contractor considers that the Work, or a portion thereof, is substantially complete, the Construction Contractor shall prepare and submit to the Agency and/or Design Professional a comprehensive list of items (Punch List) to be completed or corrected prior to final payment. Failure to include an item on the Punch List does not alter the responsibility of the Construction Contractor to complete all Work in accordance with the Contract Documents.</p> <p>2) The Agency and/or Design Professional will perform an inspection of the Work within five (5) days to accept or reject the Punch List to determine whether the Work or designated portion thereof is substantially complete. If the Agency and/or Design Professional's inspection discloses any item, whether or not included on the Contractor's list, which is not sufficiently complete in accordance with the Contract Documents, the Contractor shall complete and or correct those items and then submit a request to the Owner and Design Professional for another inspection to determine Substantial Completion of the Work.</p> <p>3) EXHIBIT K – SUBSTANTIAL COMPLETION CERTIFICATE. When the Work, or designated portion thereof, is Substantially Complete, the Design Professional and/or Owner will prepare a Certificate of Substantial Completion (Certificate) that shall establish the Substantial Completion date, establish responsibilities of the Owner and Contractor to include, but not limited to: security, maintenance, heat, air conditioning, utilities, damage to the Work and insurance. The Certificate will establish the date and time within which the Contractor shall finish all Punch List items attached thereto. Warranties required by the Contract Documents shall commence on the date of Substantial Completion of the Work, unless otherwise provided in the Certificate of Substantial Completion.</p> <p>4) Construction Contractor shall submit an Exhibit H-Application for Payment for payment of all Work, less retention if retention was held. If retention was not held, final payment will not be issued until all items listed on Exhibit M-Contractor Project Closeout have been received by the Agency.</p> <p>5) PARTIAL OCCUPANCY. The Agency may occupy or use a portion of the Project prior to Contract completion if the authority having jurisdiction over the Project authorizes the Agency to occupy the portion of the Project. The Construction Contractor shall proceed with submission to the Agency for a Substantial Completion inspection for the portion of the Work Project prior to the Agency occupying or using a portion of the Project.</p> <p>6) EXHIBIT L – FINAL COMPLETION CERTIFICATE. The date of Final Completion of the Contractor's Work is the date signed by the Design Professional, Contractor, Compliance Officer and Project Manager that all Work is 100% complete in accordance with the Contract Documents including all those items listed on Exhibit M-Contractor Project Closeout. The Construction Contractor will submit an Application for Final Payment for certification by the Agency.</p>
<p><b>11.54 Substitution of Material or Equipment</b></p>	<p>1) Construction Contractor shall not order or install any substitute Material or equipment without the Agency Designated Representative prior written approval of the substitute.</p> <p>2) If Contract is a firm fixed price, all substitution requests shall be submitted by the Construction Contractor in accordance with the <u>Solicitation Instructions to Offerors</u> and approved by the Agency Designated Representative prior to the Bid Opening Date listed in</p>



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	<p>the State e-procurement system. Prior to the Bid Opening Date, the Agency Procurement Officer issued Addenda authorizing use of the substitute shall serve as the written approval.</p> <ol style="list-style-type: none"> <li>3) Agency Designated Representative shall review all Construction Contractor furnished data for review to include maintenance, repair, and replacement for the proposed substitute.</li> <li>4) The Agency may not approve any extension of Contract time for Construction Contractor Project completion due to a substitute unless Agency determines the time extension is in the best interest of the Agency.</li> </ol>
<p><b>11.55 Supervision and Project Administration</b></p>	<ol style="list-style-type: none"> <li>1) The Construction Contractor shall not be relieved of obligations to perform the Work in accordance with the Contract either by activities or duties of the Agency in the Agency's administration of the Contract, or by tests, inspections or approvals required or performed by persons other than the Construction Contractor. The Construction Contractor shall not be relieved of obligations to perform the Work in accordance with the Contract either by activities or duties of the Agency in the Agency's administration of the Contract, or by tests, inspections or approvals required or performed by persons other than the Construction Contractor.</li> <li>2) The Construction Contractor shall supervise and direct the Work using the Construction Contractor's best skill and attention.</li> <li>3) Construction Contractor shall provide project administration for all Construction Contractor's Subcontractor and/or Subconsultants, vendors, suppliers, and others involved in implementing the Work and shall coordinate administration efforts with those of the Construction Contractor and Agency Designated Representative.</li> <li>4) Construction Contractor's project administration includes periodic daily reporting on weather, Work progress, labor, Materials, equipment, any and all obstructions to prosecution of the Work, accidents and injuries, and transmitted no less frequently to the Agency Designated Representative than on a weekly basis.</li> <li>5) The Construction Contractor shall be responsible to the Agency for acts and omissions of the Construction Contractor's employees, Subcontractor and/or Subconsultants and their agents and employees, and other persons performing portions of the Work for the Construction Contractor.</li> </ol>
<p><b>11.56 Transition</b></p>	<ol style="list-style-type: none"> <li>5. If needed, during commencement, Construction Contractor shall attend transition meetings with any outgoing Construction Contractors to coordinate and ease the transition so that the effect on Agency's operations is kept to a minimum. Agency may elect to have outgoing Construction Contractors complete some or all of their Work or orders in progress to ease the transition as is safest and most efficient in each instance, even if that scope is covered under the Contract. Upon the expiration or termination of the Contract, Construction Contractor shall Work closely with any new (incoming) Construction Contractor and Agency to ensure as smooth and complete a transfer as is practicable. Agency's representative shall coordinate all transition activities and facilitate joint development of a comprehensive transition plan by both Construction Contractor and the incoming vendor. As with the incoming transition.</li> </ol>
<p><b>11.57 Unknown, Unforeseen, or Concealed Conditions</b></p>	<ol style="list-style-type: none"> <li>1) If conditions are encountered at the Site which are (a) subsurface or otherwise concealed physical conditions which differ materially from those indicated in the Contract Documents or (b) unknown physical conditions of an unusual nature, which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, then written notice by the observing party shall be given to the other party promptly before conditions are disturbed and in no event later than twenty four hours after first observance of the conditions.</li> <li>2) It is understood that Construction Contractor, prior to award, has inspected the Site, was free to do its own tests and inspections, and in undertaking this contract, warrants that the Site is suitable for construction and accepts the risk of all Site conditions.</li> </ol>



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	<p>3) Any reports and Materials provided to Construction Contractor prior to construction are for informational purposes only. However, if Construction Contractor believes that the Agency materially misrepresented the condition of the Site then the Agency will promptly investigate such conditions. Should the Agency determine that the Site differs from the Contract Documents such that there will be a material change to Construction Contractor's Contract Cost and/or Schedule for the performance of any part of the Work, then the Agency will recommend an equitable adjustment in the Contract Cost and/or Contract time. If the Agency determines that the conditions at the Site are not materially different from those indicated in the Contract Documents, and no change in the Construction Contractor's Cost or Schedule is justified, then the Agency shall so notify the Construction Contractor in writing stating the reasons.</p>
<p><b>11.58 Use of Seals; Design Professionals</b></p>	<p>"Seal" refers to the type of "seal" required by A.R.S. § 32-101, <i>et seq.</i>, and the rules promulgated thereunder, A.A.C. R4-30-01, <i>et seq.</i>, or any equivalent licensing body, for use on Work performed by Contractors. Contractor shall affix its Seal to any and all documents required by the Work that are incomplete without such a Seal including, but not limited to, design specifications, data, and construction drawings. Contractor will accept professional responsibility for its Work including, but not limited to, any and all information upon which its Seal is affixed.</p>
<p><b>11.59 Work Performance; Design Professional</b></p>	<p>The Design Professional will perform Work under this Contract with the degree of skill and care ordinarily provided by competent professional engineers, architects, or consultants practicing in the same or similar locality and under the same or similar circumstances and professional license and as expeditiously as is prudent, considering the ordinary professional skill and care of a competent engineer, architect, or other consultant.</p>

## 12.0 Agency Responsibilities

<p><b>12.1 Access to Work Site</b></p>	<p>The Agency will provide Design Professional with access to the Work Site, as necessary, for the preparation for, and review of, the Work.</p>
<p><b>12.2 Accuracy of Information</b></p>	<p>Agency may provide in the <u>Solicitation</u>, or by other means, any reports of investigations and tests of subsurface and latent physical conditions at the Site, and any reports of conditions that otherwise may affect Cost. These reports are not intended to constitute any explicit or implicit representation as to the nature of the subsurface and latent physical conditions which may be encountered at the Site or to constitute explicit or implicit representations as to any other matter contained in any report. Such reports are not guaranteed as to accuracy or completeness and are not part of the Contract Documents.</p>
<p><b>12.3 Budget</b></p>	<p>The Agency may create a budget for the Work. If applicable, the Agency may update the budget, as needed. The budget may include the Estimated Contract Cost, Agency's other Costs for the Project, Contingencies, and Reimbursable Expenses.</p>
<p><b>12.4 Errors or Omissions</b></p>	<p>The Agency will promptly notify the Contractor in writing if it becomes aware of a material error, potential error, or omission in the Work, Design Requirements, and/or Construction Documents.</p>
<p><b>12.5 Site Information</b></p>	<p>The Agency will provide the Design Professional with basic information regarding the Site locations at which the Work will be performed. This basic information may include surveys, Site evaluations, legal descriptions, existing conditions, subsurface and environmental studies, reports and investigations.</p>
<p><b>12.6 Geotechnical Engineers</b></p>	<p>If applicable, the Agency will provide geotechnical expertise it deems sufficient to support the Work, including but not limited to, the necessary soil testing, written reports, and recommendations.</p>
<p><b>12.7 Testing</b></p>	<p>The Agency will provide legally or contractually required environmental testing</p>



# Uniform Terms and Conditions Design Professional

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	including tests for hazardous materials, and air and water pollution.
<b>12.8 Communications</b>	The Agency will facilitate communication between Design Professional and Construction Contractor, as needed, on the Work necessary to fully perform the Contract, unless direct communication between Design Professional and Construction Contractor has been explicitly authorized.
<b>12.9 Design Professional Agreements, Related Construction</b>	The Agency will meet with the Design Professional to coordinate its Work prior to finalizing a related Construction Contract. Any related Construction Contracts will be made available to the Design Professional through the State's eProcurement system.
<b>12.10 Promotional Materials</b>	Agency will endeavor to timely review and respond to any written Design Professional request for permission for use of photographic or other artistic representation of the Work for promotional or other professional materials. Agency shall have full discretion to determine whether to allow Design Professional use of the representations.
<b>12.11 Substitutions of Material</b>	Design Professional and/or Agency shall approve any and all substitutions that would cause a change in the Work of the Construction Contractor.
<b>12.12 Timely Review</b>	The Agency will endeavor to timely review and respond to any requests from the Construction Contractor that the Construction Contractor deems necessary to avoid delay or modification to the Schedule.
<b>13.0 Data and Information Handling</b>	
<b>13.1 Applicability</b>	Article 13 applies to the extent the Work includes handling of any (a) Agency's proprietary and sensitive data or (b) confidential or access-restricted information obtained from Agency or from others at Agency's behest.
<b>13.2 Data Protection and Confidentiality of Information</b>	<p>1) Design Professional warrants that it will establish and maintain procedures and controls acceptable to Agency for ensuring that Agency's proprietary and sensitive data is protected from unauthorized access and information obtained from Agency or others in performance of its contractual duties is not mishandled, misused, or inappropriately released or disclosed. For purposes of this paragraph, all data created by Design Professional in any way related to the Contract, provided to Design Professional by Agency, or prepared by others for Agency are proprietary to Agency, and all information by those same avenues is Agency's confidential information. To comply with the foregoing warrant:</p> <p>a) Design Professional shall:</p> <ul style="list-style-type: none"> <li>i) Notify Agency immediately of any unauthorized access or inappropriate disclosures, whether stemming from an external security breach, internal breach, system failure, or procedural lapse;</li> <li>ii) Cooperate with Agency to identify the source or cause of and respond to each unauthorized access or inappropriate disclosure; and</li> <li>iii) Notify Agency promptly of any security threat that could result in unauthorized access or inappropriate disclosures.</li> </ul> <p>b) Design Professional shall not:</p> <ul style="list-style-type: none"> <li>i) Release any such data or allow it to be released or divulge any such information to anyone other than its employees or officers as needed for each person's individual performance of his or her duties under the Contract, unless Agency has agreed otherwise in advance and in writing; or</li> <li>ii) Respond to any requests it receives from a third party for such data or information, and instead route all such requests to Agency's designated representative.</li> </ul>
<b>13.3 Personally Identifiable Information</b>	1) Design Professional warrants that it will protect any personally identifiable information ("PII") belonging to Agency's employees' or other Design Professionals or members of the general public that it receives from Agency or otherwise acquires in its performance under the Contract.



# Uniform Terms and Conditions Design Professional

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	<p>2) For purposes of this paragraph:</p> <p>a) PII has the meaning given in the [federal] Office of Management and Budget (OMB) Memorandum M-07-16 Safeguarding Against and Responding to the Breach of Personally Identifiable Information; and</p> <p>b) "Protect" means taking measures to safeguard personally identifiable information and prevent its breach that are functionally equivalent to those called for in that OMB memorandum and elaborated on in the [federal] General Services Administration (GSA) Directive CIO P 2180.1 GSA Rules of Behavior for Handling Personally Identifiable Information.</p> <p>3) NOTE (1): For convenience of reference only, the OMB memorandum is available at: <a href="https://www.whitehouse.gov/sites/default/files/omb/memoranda/fy2007/m07-16.pdf">https://www.whitehouse.gov/sites/default/files/omb/memoranda/fy2007/m07-16.pdf</a></p> <p>4) NOTE (2): For convenience of reference only, the GSA directive is available at: <a href="http://www.gsa.gov/portal/directive/d0/content/658222">http://www.gsa.gov/portal/directive/d0/content/658222</a></p>
<p><b>13.4 Protected Health Information</b></p>	<p>1) Design Professional warrants that, to the extent performance under the Contract involves individually identifiable health information (referred to hereinafter as protected health information ("PHI") and electronic PHI ("ePHI") as defined in the Privacy Rule referred to below), it:</p> <p>a) Is familiar with and will comply with the applicable aspects of the following collective regulatory requirements regarding patient information privacy protection: (1) the "Privacy Rule" in CFR 45 Part 160 and Part 164 pursuant to the Health Insurance Portability and Accountability Act ("HIPAA") of 1996; (2) Arizona laws, rules, and regulations applicable to PHI/ePHI that are not preempted by CFR 45-160(B) or the Employee Retirement Income Security Act of 1974 ("ERISA") as amended; and (3) Agency's current and published PHI/ePHI privacy and security policies and procedures;</p> <p>b) Will cooperate with Agency in the course of performing under the Contract so that both Agency and Contractor stay in compliance with the requirements in (a) above; and</p> <p>c) Will sign any documents that are reasonably necessary to keep both Agency and Contractor in compliance with the requirements in (a) above, in particular "Business Associate Agreements" in accordance with the Privacy Rule.</p> <p>NOTE: For convenience of reference only, the Privacy Rule is available at: <a href="http://www.hhs.gov/hipaa/for-professionals/privacy/index.html">http://www.hhs.gov/hipaa/for-professionals/privacy/index.html</a></p>
<p><b>14.0 Information Technology Work</b></p>	
<p><b>14.1 Applicability</b></p>	<p>Article 14 applies to any Invitation for Bids, Request for Qualifications, or Request for Quotations for "Information Technology," as defined in A.R.S. § 41-3501(6) 6: "computerized and auxiliary automated information processing, telecommunications and related technology, including hardware, software, vendor support and related services, equipment and projects" if and to the extent that the Work is or includes Information Technology.</p>
<p><b>14.2 Information Access</b></p>	<p>1) SYSTEM MEASURES. Design Professional shall employ appropriate system management and maintenance, fraud prevention and detection, and encryption application and tools to any systems or networks containing or transmitting Agency's proprietary data or confidential information.</p> <p>2) INDIVIDUAL MEASURES. Design Professional personnel shall comply with applicable Agency policies and procedures regarding data access, privacy, and security, including prohibitions on remote access and obtaining and maintaining access IDs and passwords. Design Professional is responsible to Agency for ensuring that any State access IDs and</p>



# Uniform Terms and Conditions Design Professional

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	<p>passwords are used only by the person to whom they were issued. Design Professional shall ensure that personnel are only provided the minimum only such level of access necessary to perform his or duties. Design Professional shall on request provide a current register of the access IDs and passwords and corresponding access levels currently assigned to its personnel.</p> <p>3) ACCESS CONTROL. Design Professional is responsible to Agency for ensuring that hardware, software, data, information, and that has been provided by Agency or belongs to or is in the custody of Agency and is accessed or accessible by Design Professional personnel is only used in connection with carrying out the Work, and is never commercially exploited in any manner whatsoever not expressly permitted under the Contract. Agency may restrict access by Construction Contractor personnel, or instruct Design Professional to restrict access their access, if in its determination the requirements of this subparagraph are not being met.</p>
<p><b>14.3 Pass-Through Indemnity</b></p>	<p>1) INDEMNITY FROM THIRD PARTY. For computer hardware or software included in the Work as discrete units that were manufactured or developed solely by a third party, Design Professional may satisfy its indemnification obligations under the Contract by, to the extent permissible by law, passing through to Agency such indemnity as it receives from the third-party source (each a "Pass-Through Indemnity") and cooperating with Agency in enforcing that indemnity. If the third party fails to honor its Pass-Through Indemnity, or if a Pass-Through Indemnity is insufficient to indemnify Agency Indemnitees to the extent and degree Design Professional is required to do by the Uniform Terms and Conditions, then Design Professional shall indemnify, defend and hold harmless Agency Indemnitees to the extent the Pass-Through Indemnity does not.</p> <p>2) NOTIFY OF CLAIMS. Agency shall notify Design Professional promptly of any claim to which a Pass-Through Indemnity might apply. Design Professional, with reasonable consultation from Agency, shall control of the defense of any action on any claim to which a Pass-Through Indemnity applies, including negotiations for settlement or compromise, provided that:</p> <ul style="list-style-type: none"> <li>a) Agency reserves the right to elect to participate in the action at its own expense;</li> <li>b) Agency reserves the right to approve or reject any settlement or compromise on reasonable grounds and if done so timely; and</li> <li>c) Agency shall in any case cooperate in the defense and any related settlement negotiations.</li> </ul>
<p><b>14.4 Redress of Infringement.</b></p>	<p>1) REPLACE, LICENSE, OR MODIFY. If Construction Contractor becomes aware that any Materials or Services infringe, or are likely to be infringing on, any third party's intellectual property rights, then Construction Contractor shall at its sole Cost and expense and in consultation with Agency either:</p> <ul style="list-style-type: none"> <li>cc) Replace any infringing items with non-infringing ones;</li> <li>dd) Obtain for Agency the right to continue using the infringing items; or</li> <li>ee) Modify the infringing item so that they become non-infringing, so long as they continue to function as specified following the modification.</li> </ul> <p>2) CANCELLATION OPTION. In every case under 14.4, if none of those options can reasonably be accomplished, or if the continued use of the infringing items is impracticable, Agency may cancel the relevant Order or terminate the Contract and Construction Contractor shall take back the infringing items. If Agency does cancel the Order or terminate the Contract, Construction Contractor shall refund to Agency:</p> <ul style="list-style-type: none"> <li>ff) For any software created for Agency under the Contract, the amount Agency paid to Contractor for creating it;</li> </ul>



# Uniform Terms and Conditions Design Professional

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	<p>gg) For all other Materials, the net book value of the product or actual monies paid by the Agency provided according to generally accepted accounting principles; and</p> <p>hh) For Services, the amount paid by Agency or an amount equal to twelve (12) months of charges, whichever is less.</p> <p>3) EXCEPTIONS. Contractor will not be liable for any claim of infringement based solely on any of the following by a State Indemnitee:</p> <ul style="list-style-type: none"> <li>ii) Modification or use of Materials other than as contemplated by the Contract or expressly authorized or proposed by a Contractor Indemnitor;</li> <li>jj) Operation of Materials with any operating software other than that supplied by Contractor or authorized or proposed by a Contractor Indemnitor; or</li> <li>kk) Combination or use with other products in a manner not contemplated by the Contract or expressly authorized or proposed by a Contractor Indemnitor.</li> </ul>
<p><b>14.5 First Party Liability Limitation</b></p>	<ul style="list-style-type: none"> <li>1) LIMIT. Subject to the provisos that follow below and unless stated otherwise in the <u>Special Terms and General Conditions</u>, Agency's first party liability arising from or related to the Contract is limited to the lesser of \$1,000,000 (one million dollars) or 3 (three) times the purchase price of the specific Materials or Services giving rise to the claim.</li> <li>2) PROVISIONS. This paragraph limits liability of any and all damages to which Contractor is entitled under this Contract for contract breaches or that comes out of performance or concerns this contract, regardless of the legal theory under which the liability is asserted. This paragraph 14.5 does not the effect of paragraph 6.2 of this Contract:</li> <li>3) PURCHASE PRICE DETERMINATION. If the Contract is for a single-agency and a single Order (or if no Order applies), then "purchase price" in Subparagraph 14.6.1 above means the aggregate Contract price current at the time of Contract expiration or earlier termination, including all change orders or other forms of Contract Amendment having an effect on the aggregate price through that date. In all other cases, "purchase price" above means the total price of the Order for the specific equipment, software, or services giving rise to the claim, and therefore a separate limit will apply to each Order.</li> <li>4) NO EFFECT ON INSURANCE. This paragraph does not modify the required coverage limits, terms, and conditions of, or any insured's ability to claim against, any insurance that Design Professional is required by the Contract to provide, and Design Professional shall obtain express endorsements that it does not.</li> </ul>
<p><b>14.6 Information Technology Warranty</b></p>	<ul style="list-style-type: none"> <li>1) SYSTEM MEASURES. Design Professional shall employ appropriate system management and maintenance, fraud prevention and detection, and encryption application and tools to any systems or networks containing or transmitting Agency's proprietary data or confidential information.</li> <li>2) INDIVIDUAL MEASURES. Design Professional personnel shall comply with applicable Agency policies and procedures regarding data access, privacy, and security, including prohibitions on remote access and obtaining and maintaining access IDs and passwords. Design Professional is responsible to Agency for ensuring that any State access IDs and passwords are used only by the person to whom they were issued. Design Professional shall ensure that personnel are only provided the minimum only such level of access necessary to perform his or duties. Design Professional shall on request provide a current register of the access IDs and passwords and corresponding access levels currently assigned to its personnel.</li> <li>3) ACCESS CONTROL. Design Professional is responsible to Agency for ensuring that hardware, software, data, information, and that has been provided by Agency or belongs to or is in the custody of Agency and is accessed or accessible by Design Professional personnel is only used in connection with carrying out the Work, and is never commercially exploited in any manner whatsoever not expressly permitted under the Contract. Agency may restrict access by Design Professional personnel, or instruct Design Professional to restrict access their access, if in its determination the requirements of this subparagraph are not being met.</li> </ul>






# Uniform Terms and Conditions Design Professional

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## 14.7 Specific Remedies

Unless expressly stated otherwise elsewhere in the Contract, Agency's remedy for breach of warranty under this Contract includes, at Agency's discretion, re-performance, repair, replacement, or refund of any amounts paid by Agency for the nonconforming Work, plus (in every case) Design Professional's payment of Agency's additional, documented, and reasonable Costs to procure Materials or services equivalent in function, capability, and performance at that first called for. For clarification of intent, the foregoing obligations are limited by the First Party Liability Limitation in paragraph 14.5. If none of the foregoing options can reasonably be effected, or if the use of the Materials by Agency is made impractical by the nonconformance, then Agency may seek any remedy available to it under law.

**End of Uniform Terms and Conditions**

	<b>Solicitation Amendment I</b>		<b>State of Arizona</b> <b>Department of Administration</b> General Services Division 1400 W Washington St., Ste. B200 Phoenix, AZ 85007
	Solicitation No.: BPM004132  Description: ADOA On-Call Civil Engineering Services	Page 1	
	Amendment No.: 1	of 1	

Pursuant to the Uniform Instructions to Offerors, Item 2.6., Solicitation Amendments, the above referenced solicitation shall be amended as follows:

**BID DUE DATE:** January 7, 2022 by 3:00 PM Arizona Time

**AMENDED DUE DATE:** January 11, 2022 by 3:00 PM Arizona Time

**RFIs will be accepted through the Discussion Forum until January 5, 2022 2 PM**

**SCOPE REQUIREMENTS:**

**3.3 Schedule for Solicitation**

**Revised Statement of Qualifications Due: January 11, 2022, 3:00 PM, Arizona Time**

**SOLICITATION RESPONSE QUESTIONNAIRE AND ATTACHMENTS**


**METHOD PROPOSAL**

**Revision:** on-call architectural/landscape architectural TO on-call civil engineering services as follows:

1. Substantiate how your team can most effectively undertake the requirements and responsibilities associated with the on-call civil engineering services for the state of Arizona and your proposed team's understanding of this scope of services by:

**ACKNOWLEDGEMENT**

**ACKNOWLEDGEMENT OF SOLICITATION AMENDMENT SHALL BE DONE ELECTRONICALLY PRIOR TO OFFER DUE DATE AND TIME.** All other all terms, conditions, specifications and amendments to the Solicitation remain unchanged.

	<b>Contract Amendment I</b>		<b>Arizona Department of Administration</b>  <b>General Services Division</b>  1400 W. Washington St., Ste. B200  Phoenix, AZ 85007
	Contract ID: <b>CTR058871</b>		
	Contractor: <b>CAROLLO ENGINEERS, INC.</b>		
	Contract Amendment #1	Date: 10/12/2023	

### **ADOA ON-CALL CIVIL ENGINEERING SERVICES**

The above-mentioned contract is hereby amended as follows: In accordance with the Special Terms and Conditions, Section 5.0, Contract Changes.

#### **SPECIAL TERMS AND CONDITIONS:**

#### **4.0 Costs and Payments**

##### **4.1 DELAY CAUSED IN WHOLE OR IN PART BY DESIGN PROFESSIONAL**

If delay in the completion of the Project is caused by the negligent actions or inaction of the Design Professional, the Design Professional shall indemnify the Agency against all reasonable Costs, expenses, liabilities, or damages resulting from such delay. In addition, the Design Professional at its own expense shall provide all Services (whether provided by the Design Professional itself or a Design Professional Subconsultant necessary to bring the Project back into compliance with the Schedule.

#### **9.0 Contract Termination**

##### **9.1 TERMINATION FOR DEFAULT-DESIGN PROFESSIONAL**

- 1) In addition to all other rights reserved to it under the Contract, Agency may terminate the Contract due to Design Professional's failure to:
  - a) Comply with any term or condition of the Contract;
  - b) Comply with any warranty made by Design Professional under the Contract;
  - c) Obtain and maintain all required insurance policies, bonds, licenses and/or permits;
  - d) Make satisfactory progress in carrying out the Work; or
  - e) Furnish Agency with assurances satisfactory to Agency evidencing Design Professional's ability to complete the Work in compliance with all the requirements of the Contract.
  
- 2) Procurement Officer shall give written notice of the termination and the reasons for it. Upon receipt of written notice by Agency, Design Professional shall immediately discontinue all Services and will immediately terminate placing orders or entering into Subcontracts for Services, supplies, assistance, facilities or Materials in connection with this Contract. In addition, Design Professional shall proceed to cancel promptly all existing Subconsultants insofar as they are related to this Contract.
  
- 3) Upon termination under this paragraph, all documents, data and reports prepared by Design Professional under the Contract and all attributable Work in progress, Work completed, and Work accepted will become Agency's property, and Design Professional shall deliver all of it to Agency immediately upon a demand made by Agency.
  
- 4) Upon termination under this paragraph and as soon as practicable after receipt of notice of termination, the Design Professional shall submit a statement, showing in detail the Services performed but not paid for under this Contract to the date of termination. Agency shall then pay Design Professional promptly the accrued and unpaid Services to the date of termination, to the extent the Services are approved by Agency.

- 5) Agency may, following termination of the Contract under this paragraph, procure on terms and in the manner determined to be appropriate Services to replace those that were to have been provided or performed by Design Professional and/or Design Professional's Subcontractors, and Design Professional will be liable to Agency for any excess Cost Agency incurs in procuring such substitutes. Agency shall ascertain Cost to complete the balance of the Work under this Contract. If the Cost to complete the balance of the Work is greater than the unpaid Contract amount, Agency shall retain all unpaid balances and, in addition, Design Professional shall pay directly to Agency the difference in the unpaid balance and the Cost to complete the Work.
- 6) In the event the Agency terminates the Contract for default, the Agency shall be entitled to recover from the Design Professional any and all reasonable attorney fees and court costs (including, but not limited to, primary loss investigation, judgment costs, expert witness and/or consultant fees and any and all expenses, fees, and costs from appellate proceedings).
- 7) If a termination of this Contract by Agency for default later is determined to have been improper, such termination shall be automatically converted to a termination for convenience, and Design Professional's remedies and compensation shall be limited to those for a termination for convenience under the Contract.
- 8) Except as expressly provided in this paragraph, in no case shall Agency pay Design Professional any additional monies other than those previously paid under the Contract.

## **11.0 DESIGN PROFESSIONAL RESPONSIBILITIES**

### **11.1 MANAGEMENT OF SCHEDULE.**

The Design Professional is responsible for timely completion of all its activities, responsibilities, and obligations under this Contract in accordance with the approved Schedule as amended and approved by the Agency. The Agency shall seek the Design Professional's input if any change in the Agency's requirements affects the Schedule. The Design Professional acknowledges and agrees, absent fault of the Agency or force majeure, that if the agreed-upon design milestones in the Schedule are not met, the Design Professional will, at its own expense, accelerate the Work, including accelerating the Work to be performed by (or replace) delinquent Design Professional Sub-contractors and retain such resources as necessary to return the Project to compliance with the Schedule.

**ATTACHED: Full Special Terms and Conditions revised by Amendment I.**

**ALL OTHER REQUIREMENTS, SPECIFICATIONS, TERMS AND CONDITIONS REMAIN UNCHANGED**

#### **ACKNOWLEDGEMENT AND AUTHORIZATION**

**This change order shall be fully executed upon the approval electronically in APP by an authorized representative of the Contractor and applied to the contract in APP by the Procurement Officer or delegate.**

# SPECIAL TERMS AND CONDITIONS AMENDED

The Special Terms and Conditions modify the Uniform Terms and Conditions and its Appendices. It can modify them by replacing, deleting, appending to, or revising the text of an existing provision or by inserting a new paragraph into an existing article. No other document modifies or adds to the Uniform Terms and Conditions, except as may subsequently be otherwise and expressly agreed and incorporated by Contract Amendment.

## 1.0 Definition of Terms

As used in the Contract, the terms listed below are defined as follows:

- 1.1 Co-Op Buyer** “Co-Op Buyer” means a member of the State Purchasing Cooperative that has entered into a “Cooperative Purchasing Agreement” with the Arizona Department of Administration State Procurement Office under A.R.S. § 41-2632. Unless there is an applicable Cooperative Purchasing Agreement in effect at the time, a State Purchasing Cooperative member cannot be a Co-Op Buyer. For reference, “Co-Op Buyer” is to be construed as encompassing “eligible procurement unit” under A.A.C. R2-7-101(23).
- NOTE: Membership in the State Purchasing Cooperative is open to all Arizona political subdivisions, including cities, counties, school districts, and special districts. Membership is also available to non-profit organizations, other state governments, the federal government and tribal nations. For reference, “non-profit organizations” are defined in A.R.S. § 41-2631(4) as any nonprofit corporation as designated by the IRS under section 501(c)(3) through 501(c)(6) of the tax code.
- 1.2 Eligible Agency** “Eligible Agency” in the use of this contract shall mean any State of Arizona agency, university, commission, or board. The State reserves the right to expand the definition of “Eligible Agency” to include Co-Op Buyer as defined in the Special Terms and Conditions paragraph 1.2 at time of a Contract Extension.

## 2.0 Contract Interpretation

No modifications to uniform terms and conditions section

## 3.0 Contract Administration and Operation

- 3.1 Term of Contract** The term of the Contract will commence on the date indicated on the Acceptance and continue for a term not to exceed five (5) years unless canceled, terminated, or permissibly extended.

## 4.0 Costs and Payments

- 4.1 Delay Caused in Whole or In Part by Design Professional** If delay in the completion of the Project is caused by the negligent actions or inaction of the Design Professional, the Design Professional shall indemnify the Agency against all reasonable Costs, expenses, liabilities, or damages resulting from such delay. In addition, the Design Professional at its own expense shall provide all Services (whether provided by the Design Professional itself or a Design Professional Sub-consultant necessary to bring the Project back into compliance with the Schedule.

## 5.0 Contract Changes

No modifications to uniform terms and conditions section

## 6.0 Risk and Liability

### **6.1 Indemnification Clause**

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as “Indemnatee”) from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys’ fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as “Claims”) for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers’ Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule,

regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona.

This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

## **6.2 Insurance Requirements**

6.2.1 Contractor and subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

6.2.2 The Insurance Requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

## **6.3 Minimum Scope and Limits of Insurance**

Contractor shall provide coverage with limits of liability not less than those stated below.

### **6.3.1 Commercial General Liability (CGL) – Occurrence Form**

Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Damage to Rented Premises \$50,000
- Each Occurrence \$1,000,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

### **6.3.2 Business Automobile Liability**

Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

- Combined Single Limit (CSL) \$1,000,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

### **6.3.3 Workers' Compensation and Employers' Liability**

- Workers' Compensation Statutory
- Employers' Liability
  - Each Accident \$1,000,000

- Disease – Each Employee \$1,000,000
- Disease – Policy Limit \$1,000,000
- a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

**6.3.4 Professional Liability (Errors and Omissions Liability)**

- Each Claim \$2,000,000
- Annual Aggregate \$2,000,000
- a. In the event that the Professional Liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained, or an extended discovery period will be exercised, for a period of two (2) years beginning at the time work under this Contract is completed.
- b. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

**6.4 Additional Insurance Requirements**

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

- 6.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).
- 6.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

**6.5 Notice of Cancellation**

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

**6.6 Acceptability of Insurers**

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

**6.7 Verification of Coverage**

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

- 6.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.
- 6.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
- 6.7.3 All certificates required by this Contract shall be sent directly to the Department. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The

State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

**6.8 Subcontractors**

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

**6.9 Approval and Modifications**

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

**6.10 Exceptions**

In the event the Contractor or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Contractor or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

**7.0 Warranties**

No modifications to uniform terms and conditions section.

**8.0 State's Contractual Remedies**

No modifications to uniform terms and conditions section

**9.0 Contract Termination**

**9.1 Termination for Default – Design Professional**

- 1) In addition to all other rights reserved to it under the Contract, Agency may terminate the Contract due to Design Professional's failure to:
  - a) Comply with any term or condition of the Contract;
  - b) Comply with any warranty made by Design Professional under the Contract;
  - c) Obtain and maintain all required insurance policies, bonds, licenses and/or permits;
  - d) Make satisfactory progress in carrying out the Work; or
  - e) Furnish Agency with assurances satisfactory to Agency evidencing Design Professional's ability to complete the Work in compliance with all the requirements of the Contract.
- 2) Procurement Officer shall give written notice of the termination and the reasons for it. Upon receipt of written notice by Agency, Design Professional shall immediately discontinue all Services and will immediately terminate placing orders or entering into Subcontracts for Services, supplies, assistance, facilities or Materials in connection with this Contract. In addition, Design Professional shall proceed to cancel promptly all existing Subconsultants insofar as they are related to this Contract.
- 3) Upon termination under this paragraph, all documents, data and reports prepared by Design Professional under the Contract and all attributable Work in progress, Work completed, and Work accepted will become Agency's property, and Design Professional shall deliver all of it to Agency immediately upon a demand made by Agency.
- 4) Upon termination under this paragraph and as soon as practicable after receipt of notice of termination, the Design Professional shall submit a statement, showing in detail the Services performed but not paid for under this Contract to the date of termination. Agency shall then pay Design Professional promptly the accrued and unpaid Services to the date of termination, to the extent the Services are approved by Agency.
- 5) Agency may, following termination of the Contract under this paragraph, procure on terms and in the manner determined to be appropriate Services to replace those that were to have been provided or performed by Design Professional and/or Design Professional's Subcontractors, and Design Professional will be liable to Agency for any excess Cost Agency incurs in procuring such substitutes. Agency shall ascertain Cost to complete the balance of



the Work under this Contract. If the Cost to complete the balance of the Work is greater than the unpaid Contract amount, Agency shall retain all unpaid balances and, in addition, Design Professional shall pay directly to Agency the difference in the unpaid balance and the Cost to complete the Work.

- 6) In the event the Agency terminates the Contract for default, the Agency shall be entitled to recover from the Design Professional any and all reasonable attorney fees and court costs (including, but not limited to, primary loss investigation, judgment costs, expert witness and/or consultant fees and any and all expenses, fees, and costs from appellate proceedings).
- 7) If a termination of this Contract by Agency for default later is determined to have been improper, such termination shall be automatically converted to a termination for convenience, and Design Professional's remedies and compensation shall be limited to those for a termination for convenience under the Contract.
- 8) Except as expressly provided in this paragraph, in no case shall Agency pay Design Professional any additional monies other than those previously paid under the Contract.

## 10.0 Contract Claims

No modifications to uniform terms and conditions section.

## 11.0 Design Professional Responsibilities

**11.1 Management of Schedule** The Design Professional is responsible for timely completion of all its activities, responsibilities, and obligations under this Contract in accordance with the approved Schedule as amended and approved by the Agency. The Agency shall seek the Design Professional's input if any change in the Agency's requirements affects the Schedule. The Design Professional acknowledges and agrees, absent fault of the Agency or force majeure, that if the agreed-upon design milestones in the Schedule are not met, the Design Professional will, at its own expense, accelerate the Work, including accelerating the Work to be performed by (or replace) delinquent Design Professional Subcontractors and retain such additional resources as necessary to return the Project to compliance with the Schedule.

## 12.0 Agency Responsibilities

No modifications to uniform terms and conditions section.

## 13.0 Data and Information Handling

No modifications to uniform terms and conditions section.

## 14.0 Information Technology Work

No modifications to uniform terms and conditions section.

**End of Section**

Douglas A. Ducey  
Governor



Andy Tobin  
Director

**ARIZONA DEPARTMENT OF ADMINISTRATION**

1400 W. WASHINGTON ST., SUITE B200  
PHOENIX, ARIZONA 85007  
(602) 542-1500

February 7, 2022

**Carollo Engineers, Inc.**

Jessica Dresang, PE, Vice President  
4600 E. Washington Street, Suite 500  
Phoenix, AZ 85034  
(602) 236-9500  
Sent via e-mail to: [JDresang@carollo.com](mailto:JDresang@carollo.com)

**Re: Award of Contract No. CTR058871 for ADOA On-Call Civil Engineering Services.**

Dear Ms. Dresang,

Thank you for submitting a response to Request for Qualifications No. BPM004132. I am pleased to inform you that your company's offer has been selected for award. The initial contract term shall begin on February 7, 2022.

All offers received were evaluated in accordance with the evaluation criteria set forth in the solicitation. The procurement file for this solicitation, including evaluation documents and resultant contracts, will be available for public viewing via the State's e-Procurement system, APP within 10 days.

Please return to me a current Certificate of Liability Insurance by Thursday, February 17, 2022. On your certificate, please include: CTR058871 ADOA On-Call Civil Engineering Services.


You are cautioned not to begin any work under the contract until you have been issued a purchase order or written notice to proceed.

We look forward to working with you and if you have any questions regarding your company's contract, please contact me at [crista.clevenger@azdoa.gov](mailto:crista.clevenger@azdoa.gov) or (602) 542-1718.

Sincerely,

A handwritten signature in blue ink that reads "Crista J. Clevenger".

Crista J. Clevenger  
Construction Procurement Manager

	<b>Contract Amendment III</b>		Arizona Department of Administration General Services Division 1400 W. Washington St., Ste. B200 Phoenix, AZ 85007
	Contract ID: <b>CTR058871</b> Contractor: <b>CAROLLO ENGINEERS</b>		
	Extension #2	Date: 12/14/2023	

## ADOA ON-CALL CIVIL ENGINEERING

1. The above-mentioned contract is hereby amended as follows:
  - a. In accordance with the Special Terms and Conditions, Section 3.2 Contract Extensions, the above referenced contract shall be extended from 2/7/2024 to 2/7/2025.
    - i. 2 optional extensions remaining of a 5-year contract
  - b. All Terms, Conditions and Provisions of the contract shall remain unchanged and apply during the renewal period unless otherwise amended.

**ALL OTHER REQUIREMENTS, SPECIFICATIONS, TERMS AND CONDITIONS REMAIN UNCHANGED**

### ACKNOWLEDGEMENT AND AUTHORIZATION

This change order shall be fully executed upon the approval electronically in APP by the Procurement Officer.

## **Carollo Engineers, Inc.**

### **ADOA On-Call Civil Engineering Services - Fee Schedule**

**2-Feb-24**

<b>Title</b>	<b>Level</b>	<b>Unit of pay</b>	<b>Burdened Labor Rate (including PECE)</b>
Engineer	I	Hourly	\$ 117
Engineer	II	Hourly	\$ 128
Engineer	III	Hourly	\$ 149
Engineer	IV	Hourly	\$ 188
Engineer	V	Hourly	\$ 208
Engineer	VI	Hourly	\$ 224
Engineer	VII	Hourly	\$ 251
Engineer	VIII	Hourly	\$ 267
Admin	III	Hourly	\$ 123
Document Processing	III	Hourly	\$ 123
Inspector	VI	Hourly	\$ 166
Special Inspector	VI	Hourly	\$ 187
Special Inspector	VII	Hourly	\$ 208
Tech Specialist/CAD	III	Hourly	\$ 139
Tech Specialist/CAD	IV	Hourly	\$ 162
Tech Specialist/CAD	V	Hourly	\$ 187
Tech Specialist/CAD	VI	Hourly	\$ 208
Tech Specialist/CAD	VII	Hourly	\$ 219

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Kristin Decker, Special Services Supervisor  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024



---

**TITLE:**

**Consideration and Approval of Contract:** Approval of the Cooperative Purchase Contract with PFVT Motors, LLC dba Peoria Ford for the purchase of Four 2023 Ford Explorer Police Interceptors for the Flagstaff Police Department in the amount of \$211,955.44.

**STAFF RECOMMENDED ACTION:**

1. Approval of the Cooperative Purchase Contract with PFVT Motors, LLC dba Peoria Ford for the purchase of Four 2023 Ford Explorer Police Interceptors for the Flagstaff Police Department in the amount of \$211,955.44; and
2. Authorize the City Manager to execute the necessary documents.

**Executive Summary:**

PFVT Motors, LLC dba Peoria Ford holds a state contract for vehicle purchases under CTR059322. The Flagstaff Police Department is seeking to purchase Four 2023 Ford Explorer Police Interceptors from Peoria Ford in the amount of \$211,955.44. The purchase is needed to replace vehicles that have met age and mileage requirements for retirement as well as vehicles that sustained accident damage. This purchase will assist the Flagstaff Police Department in maintaining a healthy fleet ready for emergency response. The acquisition of these four vehicles has been approved by the Fleet Management Committee as well as the Budget Committee.

**Financial Impact:**

The FY2024 Flagstaff Police Department budget was \$312,031 remaining for the purchase of (4) Police Interceptor Explores and the upfitting of these vehicles in account 001-04-061-0221-2-4401.

**Policy Impact:**

None.

**Previous Council Decision or Community Discussion:**

None.

**Options and Alternatives to Recommended Action:**

1. Approve the Cooperative Purchase Contract for Four 2023 Ford Explorer Interceptors from Peoria Ford;  
or
2. Approve a purchase of fewer than Four 2023 Ford Explorer Interceptors; or
3. Deny the request to purchase the Four 2023 Ford Explorer Interceptors.

**Background and History:**

The Flagstaff Police Department's authorized patrol fleet strength is fifty vehicles. By the end of June, it is



## COOPERATIVE PURCHASE CONTRACT

Contract No. 2024-166

This Cooperative Purchase Contract is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between the City of Flagstaff, Arizona, a political subdivision of the State of Arizona ("City") and PFVT Motors, LLC dba Peoria Ford, a Delaware Limited Liability Corporation ("Contractor").

### RECITALS:

- A. Contractor is a fully authorized vendor (dealership) of Police Interceptors.
- B. The State of Arizona, Procurement Department, Public Sector conducted a competitive and open procurement process through Request for Proposal Solicitation No. BPM004157 that resulted in Contract No. CTR059322 with Contractor ("Agency Contract"); and
- C. The City has authority to enter into a cooperative purchase contract with Contractor utilizing the Agency Contract.

### AGREEMENT:

NOW THEREFORE, in consideration for the mutual promises contained herein, the Parties agree as follows:

1. Materials and or Services Purchased: Contractor shall provide to the City the materials and or services, as specified in the Scope of Work attached as Exhibit A, and in accordance with the Agency Contract. A general description of materials and/or services being purchased is:

#### **2023 Police Interceptor Quantity (4) Four**

2. Specific Requirements of City: Contractor shall comply with all specific purchase and delivery requirements and/or options of City, as specified in the Scope of Work attached as Exhibit A and incorporated by reference.
3. Payment: Payment to Contractor for the materials and/or services provided for **two hundred eleven thousand nine hundred fifty-five and forty-four hundredths (\$211,955.44)**; made in accordance with the price list and terms set forth in the Agency Contract. Any price adjustment must be approved by mutual written consent of the Parties through a formal amendment. The City Manager or his/her designee (the Purchasing Director) may approve an amendment if the amendment price increase is less than \$100,000; otherwise, City Council approval is required.
4. Terms and Conditions of Agency Contract Apply: All provisions of the Agency Contract documents attached as Exhibit B, including any amendments, are incorporated in and shall apply to this Contract as though fully set forth herein. Contractor is responsible for promptly notifying City in writing of any changes to the Agency Contract, including, specifically changes in price for materials and/or services.

5. Certificates of Insurance: All insurance provisions of the Agency Contract shall apply, including any requirement to name the City as an additional insured. Prior to commencing performance under this Contract, Contractor shall furnish City with a copy of the current Certificate of Insurance required by the Agency Contract.
6. Term: This Cooperative Purchase Contract shall commence upon execution by the Parties and shall continue until expiration or termination of the underlying Agency Contract, unless sooner terminated by City in writing.
7. Renewal: This Cooperative Purchase Contract shall be automatically renewed if the underlying Agency Contract is renewed, for the same renewal period, unless City provides advance written notice to Contractor of its intention to non-renew.
8. Notice: Any formal notice required under the Contract shall be in writing and sent by certified mail and email as follows:

To the City:

Nathan Naliborski, Fleet Manager  
City of Flagstaff  
211 W. Aspen Ave.  
Flagstaff, AZ 86001  
[nnaliborski@flagstaffaz.gov](mailto:nnaliborski@flagstaffaz.gov)  
Phone: 928-213-2187

To Contractor:

Chad Riccio  
Government sales  
PFVT Motors, LLC dba Peoria Ford  
Chad Riccio  
Government Sales  
9130 W Bell Road  
Peoria, AZ 85382  
[chad.riccio@governmentautosales.com](mailto:chad.riccio@governmentautosales.com)  
(480) 405-2929

With a copy to:

Liane Garcia, Buyer  
City of Flagstaff  
211 W. Aspen Ave.  
Flagstaff, AZ 86001  
[lgarcia@flagstaffaz.gov](mailto:lgarcia@flagstaffaz.gov)  
Phone: 928-213-2279

**(Remainder of Page Intentionally Blank)**



9. Authority: Each Party warrants that it has authority to enter into the Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into the Contract.

**PFVT MOTORS, LLC dba: PEORIA FORD:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**CITY OF FLAGSTAFF**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
City Attorney's Office

Notice to Proceed issued: \_\_\_\_\_, 20\_\_

**EXHIBIT A**  
**SCOPE OF WORK**  
(attached)

1. PFVT Motors, LLC dba: Peoria Ford Quote dated April 25, 2024 (1 page)

**EXHIBIT B**  
**AGENCY CONTRACT**  
(attached)

1. State of Arizona – Arizona Department of Transportation RFP – 88 pages
2. CTR059322 Contract Amendment & Forced Labor of Ethnic Uyghurs Ban Form– 2 pages
3. CTR059322 Contract Pricing – 65 pages



PFVT MOTORS, LLC.  
 CHAD RICCIO  
 Government Account Team  
 Direct: 480-405-2929

# Quote

Date	4/25/2024
Valid Until	5/12/2024
Contract	CTR059322-AZ STATE
PO	
Lead Time	

Customer:
NATHAN NALIBORSKI CITY OF FLAGSTAFF

Invoice Address:
PGB75006 PGB76353 PGB76085 PGB26739

Delivery Address:
Same

Description	Line Total				
POLICE INTERCEPTOR PG B26739 2023 UTILITY AWD EXTERIOR 119" WHEELBASE OXFORD WHITE 3.3L TI-VCT V6 FFV ENGINE INTERIOR 10-SPEED AUTO TRANSMISSION EBONY CLOTH FRT/VINYL REAR	\$49,013.75				
<table border="0"> <tr> <td style="vertical-align: top;"> <b>EXTERIOR</b>  <input type="checkbox"/> 18" H.D.STEEL WHEELS  <input type="checkbox"/> 255/60R18 A/S BSW  <b>POLICE TIRES</b>  <input type="checkbox"/> CLASS III HITCH RECEIVER  <input type="checkbox"/> DUAL EXHAUST SYSTEM  <input type="checkbox"/> DUAL POWER MIRRORS  <input type="checkbox"/> FULL SIZE 18" SPARE W/TPMS  <input type="checkbox"/> HEADLAMPS - AUTO, LED            LOW/HIGH INCLUDES FRONT HOUSING (W/ LED WIG-WAG)  <input type="checkbox"/> KEY LOCKS (DR/PASS/LFTGT)  <input type="checkbox"/> PRIVACY GLASS 2ND/3RD ROW         </td> <td style="vertical-align: top;"> <b>INTERIOR</b>  <input type="checkbox"/> 35/30/35 SPLIT VINYL REAR  <input type="checkbox"/> A/C W/AUTOMATIC CLIMATE CONTROL, DUAL ZONE  <input type="checkbox"/> BLACK VINYL FLOOR COVERING  <input type="checkbox"/> CERTIFIED SPEEDOMETER  <input type="checkbox"/> CLOTH BUCKET FRONT SEATS  <input type="checkbox"/> CONSOLE MOUNTING PLATE  <input type="checkbox"/> ENGINE HOUR / IDLE METER  <input type="checkbox"/> HTD SANITIZATION SOLUTION  <input type="checkbox"/> PWR DR SEAT/6-WAY/M LUMBAR  <input type="checkbox"/> RED/WHITE TASK LIGHTING  <input type="checkbox"/> SEATBACK INTRUSION PLATES  <input type="checkbox"/> TILT/TELESCOPING STEERING WHL W/ 4 CONFIGURABLE LATCHING SWITCHES         </td> <td style="vertical-align: top;"> <input type="checkbox"/> UNIVERSAL TOP TRAY FUNCTIONAL  <input type="checkbox"/> AM/FM/MP3/BLUETOOTH &amp; USB  <input type="checkbox"/> COLUMN MOUNTED SHIFTER  <input type="checkbox"/> ENGINE OIL COOLER  <input type="checkbox"/> FORD TELEMATICS™  <input type="checkbox"/> FULL-TIME ALL WHEEL DRIVE SYSTEM  <input type="checkbox"/> HEAVY DUTY SUSPENSION  <input type="checkbox"/> HEAVY-DUTY 80-AMP BATTERY  <input type="checkbox"/> INTERIOR TRUNK/LIFTGATE RELEASE  <input type="checkbox"/> POLICE BRAKES: 4 WHL DISC W/ ABS &amp; TRACTION CONTROL  <input type="checkbox"/> POWER STEERING W/EPAS  <input type="checkbox"/> REAR VIEW CAMERA         </td> <td style="vertical-align: top;"> <input type="checkbox"/> TRANSMISSION OIL COOLER  <input type="checkbox"/> TRANSMISSION-10-SPEED AUTO SAFETY/SECURITY  <input type="checkbox"/> 75 MPH REAR-CRASH TESTED  <input type="checkbox"/> ADVANCETRAC™ WITH RSC®  <input type="checkbox"/> AIRBAGS - FRONT AND SIDE  <input type="checkbox"/> AIRBAGS - SAFETY CANOPY  <input type="checkbox"/> SOS POST CRASH ALERT SYS  <input type="checkbox"/> TIRE PRESSURE MONITOR SYS WARRANTY  <input type="checkbox"/> 3 YR/36K MILE BUMPER-TO-BUMPER WARRANTY  <input type="checkbox"/> 5 YR/100K MILE POWERTRAIN CARE EXTENDED SERVICE PLAN (ZERO DEDUCTIBLE)         </td> </tr> </table>	<b>EXTERIOR</b> <input type="checkbox"/> 18" H.D.STEEL WHEELS <input type="checkbox"/> 255/60R18 A/S BSW <b>POLICE TIRES</b> <input type="checkbox"/> CLASS III HITCH RECEIVER <input type="checkbox"/> DUAL EXHAUST SYSTEM <input type="checkbox"/> DUAL POWER MIRRORS <input type="checkbox"/> FULL SIZE 18" SPARE W/TPMS <input type="checkbox"/> HEADLAMPS - AUTO, LED LOW/HIGH INCLUDES FRONT HOUSING (W/ LED WIG-WAG) <input type="checkbox"/> KEY LOCKS (DR/PASS/LFTGT) <input type="checkbox"/> PRIVACY GLASS 2ND/3RD ROW	<b>INTERIOR</b> <input type="checkbox"/> 35/30/35 SPLIT VINYL REAR <input type="checkbox"/> A/C W/AUTOMATIC CLIMATE CONTROL, DUAL ZONE <input type="checkbox"/> BLACK VINYL FLOOR COVERING <input type="checkbox"/> CERTIFIED SPEEDOMETER <input type="checkbox"/> CLOTH BUCKET FRONT SEATS <input type="checkbox"/> CONSOLE MOUNTING PLATE <input type="checkbox"/> ENGINE HOUR / IDLE METER <input type="checkbox"/> HTD SANITIZATION SOLUTION <input type="checkbox"/> PWR DR SEAT/6-WAY/M LUMBAR <input type="checkbox"/> RED/WHITE TASK LIGHTING <input type="checkbox"/> SEATBACK INTRUSION PLATES <input type="checkbox"/> TILT/TELESCOPING STEERING WHL W/ 4 CONFIGURABLE LATCHING SWITCHES	<input type="checkbox"/> UNIVERSAL TOP TRAY FUNCTIONAL <input type="checkbox"/> AM/FM/MP3/BLUETOOTH & USB <input type="checkbox"/> COLUMN MOUNTED SHIFTER <input type="checkbox"/> ENGINE OIL COOLER <input type="checkbox"/> FORD TELEMATICS™ <input type="checkbox"/> FULL-TIME ALL WHEEL DRIVE SYSTEM <input type="checkbox"/> HEAVY DUTY SUSPENSION <input type="checkbox"/> HEAVY-DUTY 80-AMP BATTERY <input type="checkbox"/> INTERIOR TRUNK/LIFTGATE RELEASE <input type="checkbox"/> POLICE BRAKES: 4 WHL DISC W/ ABS & TRACTION CONTROL <input type="checkbox"/> POWER STEERING W/EPAS <input type="checkbox"/> REAR VIEW CAMERA	<input type="checkbox"/> TRANSMISSION OIL COOLER <input type="checkbox"/> TRANSMISSION-10-SPEED AUTO SAFETY/SECURITY <input type="checkbox"/> 75 MPH REAR-CRASH TESTED <input type="checkbox"/> ADVANCETRAC™ WITH RSC® <input type="checkbox"/> AIRBAGS - FRONT AND SIDE <input type="checkbox"/> AIRBAGS - SAFETY CANOPY <input type="checkbox"/> SOS POST CRASH ALERT SYS <input type="checkbox"/> TIRE PRESSURE MONITOR SYS WARRANTY <input type="checkbox"/> 3 YR/36K MILE BUMPER-TO-BUMPER WARRANTY <input type="checkbox"/> 5 YR/100K MILE POWERTRAIN CARE EXTENDED SERVICE PLAN (ZERO DEDUCTIBLE)	
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EQUIPMENT GROUP 500A OPTIONAL EQUIPMENT/OTHER .AM/FM STEREO 3.3L TI-VCT V6 FFV ENGINE - 2,830.00 10-SPEED AUTO TRANSMISSION NO CHARGE ULTIMATE WIRING KIT 560.00 .WIRING GRILL/LAMP/SIREN/SPKRS .REAR CONSOLE MOUNTING PLATE CARGO DOME LAMP -RED/WHITE 50.00 50 STATE EMISSIONS NO CHARGE SPOT LAMP LED DR - WHELEN 420.00 KEYLESS ENTRY - 4 FOBS 340.00 4G LTE WI-FI HOTSPOT CREDIT - 20.00 18" FULL FACE WHEEL COVERS 60.00 POL WIRE HARNESS CONNECTOR KIT 185.00 .POLICE WIRING KIT REAR .POLICE WIRING KIT FRONT REAR DR HNDL AND LOCKS INOPR 75.00 FLEX-FUEL CAPABILITY FRONT LICENSE PLATE BRACKET NO CHARGE	2 KEYS INC TINT INC				
Subtotal	\$49,013.75				
Sales Tax 0.081	\$3,970.11				
Tire Tax 5	\$5.00				
Extended Warranty	\$0.00				
Flooring	\$0.00				
Freight					
MSO / ODO					
Total Per Unit less Trade-In	\$52,988.86				
Quantity of Units	4				
<b>Sale Total</b>	<b>\$211,955.44</b>				

Special Notes and Instructions
THIS IS QUOTED OUT OF STOCK PHASE 2 PRICING THIS IS AVERAGE PRICE FOR 4 OF THESE UNITS. IF QTY CHANGES SO DOES PRICE. VINS ARE LISTED ABOVE IN INVOICE ADDRESS TAB

Above information is not an invoice and only an estimate of services/goods described above. Quote subject to change.

Please confirm your acceptance of this quote by signing this document, and returning your PO. Signature  
Print Name  
Date

If you have any questions concerning this quote, contact Chad Riccio

**Thank you for your business!**

9130 W Bell Road, Peoria AZ 85382  
 480-405-2929 - chad.riccio@governmentautosales.com



# OFFER AND ACCEPTANCE

## OFFER

TO THE STATE OF ARIZONA:

The undersigned hereby offers and agrees to perform in compliance with all terms, conditions, specifications and amendments of this solicitation and any written exceptions in the offer. Signature also acknowledges receipt of all pages indicated in the Table of Contents.


PFVT Motors, LLC dba  
Offeror (Company) Name Peoria Ford

9130 W Bell Rd  
Address

Peoria AZ 85382  
City State Zip

sgonzalez@peoriaford.com  
Email Address

smoser@vtalg.com  
Company Email Address

  
Signature of Person Authorized to Sign Offer

Samira Gonzalez 1/18/22  
Printed Name Date

Government Manager  
Title

480-6916-5930  
Phone Number

NA  
Fax Number

By signature in the Offer section above, the Offeror certifies that the submission of the Offer did not involve collusion or other anticompetitive practices.

### ACCEPTANCE OF OFFER (FOR DEPARTMENT USE ONLY)

The Contractor is now bound to perform based upon Contract Number CTR059322 including all terms, conditions, specifications, amendments, etc., and the Contractor's offer as accepted by the state.

The Contractor is hereby cautioned not to commence any billable work or provide any material, service or construction under this contract until contractor receives a purchase order document.

State of Arizona

Effective this 17th day of March 2022

DocuSigned by:

  
Procurement Officer

3/10/2022

Awarded Date



Procurement

STATE OF ARIZONA  
ARIZONA DEPARTMENT OF TRANSPORTATION  
1739 W. Jackson St., Ste. A  
Phoenix, AZ 85007

## REQUEST FOR PROPOSAL

**SOLICITATION NUMBER:** BPM004157

**DESCRIPTION:** New Vehicle Purchases

**QUESTIONS:** Inquiries regarding the solicitation are to be submitted online through the State's e-Procurement system, Arizona Procurement Portal (APP) (<https://app.az.gov/>) using the Discussion Forum tab.

**OFFERORS ARE STRONGLY ENCOURAGED TO READ THE ENTIRE SOLICITATION.**

**Thomas Kornell**  
Procurement Officer  
Phone: 602-712-8520  
Email: [Tkornell@azdot.gov](mailto:Tkornell@azdot.gov)

This solicitation is issued in accordance with A.R.S. §41-2534 and A.A.C. R2-7-C301 et seq., Competitive Sealed Proposals.

"An Equal Opportunity Agency"

*The Arizona Department of Transportation, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252.42 U.S.C. §§ 2000d-4) and the Americans with Disabilities Act (ADA), hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, national origin in consideration for an award.*

*Persons that require a reasonable accommodation based on language or disability should contact ADOT's Procurement Office by phone (602) 712-2089. Requests should be made as early as possible to ensure the State has an opportunity to address the accommodation.*

*Las personas que requieran asistencia (dentro de lo razonable) ya sea por el idioma o discapacidad deben ponerse en contacto con ADOT (602) 712-2089.*

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## 1. Statement of Need

- 1.1. Pursuant to the Arizona Procurement Code, A.R.S. §41-2501 et seq., the State of Arizona Department of Transportation (Department), has a requirement for New Vehicle Purchase.

## 2. Introduction and Background

2.1 The State of Arizona Department of Transportation (Department) is seeking to contract with a qualified vendor(s) who can provide new vehicles (all fuel types, hybrid, and full electric) including but not limited to: Sedans, Trucks up to 19,500 GVWR, Vans, Sport Utility Vehicles (SUVs), and Crossovers for the State of Arizona and participating Eligible Agencies. These vehicles will be used to support official organizational goals. These vehicles will be used on highways, city/county roads and shall be designed to operate under typical Arizona ambient temperatures.

2.2 Background: The State and its Eligible Agencies currently spend an estimated twenty-one million dollars in the purchase of new vehicles annually.

2.3 The following are the Three Categories covered in this Scope of Work:

- **Category One: Phase One (1) Vehicle Purchases**
- **Category Two: Phase Two (2) Vehicle Purchases**
- **Category Three: FTA Funded Vehicles**

## 3 General Requirements

- 3.1 Vehicles shall be new and supplied with all equipment and accessories indicated as standard equipment in the manufacturer's published literature (or website). Optional equipment necessary to meet the minimum requirements shall be included.
- 3.2 All vehicles ordered through Phase 1 (off the line) shall be Manufacturer's current year models in production throughout the term of this contract and shall be serviced completely by the vendor before delivery and ready in all respects for use. For the initial contract period; vehicles shall be new model year 2022 or greater.
- 3.3 Vehicles ordered through Phase 2 (on the lot) shall have less than 100 original odometer miles and be new (have never been previously owned) unless pre-approved in writing by the Eligible Agency.
- 3.4 All vehicles shall meet requirements of applicable Arizona Motor Vehicle laws and all other applicable Federal Motor Vehicle Safety Standards (including the Federal Bridge Formula), whether or not such requirements are specified in detail.
- 3.5 For Phase Two (2) vehicles, the Contractor shall supply a quote within five (5) calendar days after receiving a request from the Eligible Agency. The quotation shall include but not be limited to the following information: State contract number, vehicle availability and delivery lead-time, Vehicle Identification Number (VIN), dealer stock number, vehicle base bid price, itemized options, applicable tax, delivery cost, total price, and point of contact. For vehicles requiring up-fit/modifications, all applicable cost may be included in quotation or as a separate quotation.



## SCOPE OF WORK

- 3.6 Delivery location shall be identified on the issuing agency purchase order. Deliveries shall be made within 120 days of receipt of purchase orders, unless factory delays make this impossible. Dealer shall notify the ordering agency of such delays along with a revised delivery estimate from the factory immediately after it becomes known. If the manufacturer has a website available to check order status, this information will be shown in space provided on Offer Response Form.
- 3.7 All deliveries shall be made Monday through Friday from 8:00 A.M. to 2:00 P.M. The Contractor shall be required to give the using agency a minimum of 24-hour notification prior to delivery with the anticipated time of delivery and number of units to be delivered.
- 3.8 All vehicles shall be delivered with four (4) entrance tools and a full tank(s) of fuel, less delivery fuel.
- 3.9 The following documents shall be provided upon delivery of the vehicle(s):
  - 3.9.1 M.S.O. (Manufacturer Statement of Origin) that includes the odometer statement
  - 3.9.2 Warranty Document
  - 3.9.3 Manufacturers unaltered invoice
  - 3.9.4 Delayed warranty / in service start request form (if requested by ordering entity)
  - 3.9.5 Level 1 Inspection if applicable, completed before delivery
- 3.10 For Phase One (1) the Contractor shall provide the Eligible Agency copies of the manufacturer's vehicle identification numbers (VIN#) to confirm vehicles have been ordered unless impossible due to manufacture delay within ninety (90) calendar days after receipt of a purchase order. If confirmation of manufacturer's VIN #(s) is not received within this timeframe the Eligible Agency has the option to award to the second lowest bidder meeting specifications. This shall be considered a mandatory requirement and the timeframe must be met unless there is a manufacture delay. Failure to provide this document for each vehicle ordered may be cause for determination of default of contract.

#### 4 Specific Requirements

- 4.1 The Contractors are encouraged to provide a full line of new vehicles (gasoline, hybrid, full electric) including but not limited to the following categories: Sedans, Trucks up to 19,500 GVWR, Vans (cargo, passenger, transit, etc.), Sport Utility Vehicles (SUVs), and Crossovers. Eligible Agencies throughout the State will have varying vehicle needs. Contractors are to provide a full line of manufactured new vehicles and all subsequent variants of each vehicle; including but not be limited to: models and manufacturer options, trim package, etc. to meet each need of an Eligible Agency.
- 4.2 As new model year vehicles become available, vendor shall submit pricing at either the same rate as the previous model, or submit a request for an increase or decrease based only on the manufacturer's increase or decrease. Documentation must be submitted to the Procurement Officer within 30 days of the effective date of change. New model year vehicles cannot be offered without approval from the Procurement Officer.
- 4.3 The following fuel types are allowable under this contract are to include but are not limited too.
  - 4.3.1 Flexible Fuel Vehicles (FFV) also called Ethanol or E85
  - 4.3.2 Diesel

## 4.3.3 Gasoline

4.3.4 Compressed Natural Gas (CNG): CNG systems must be O.E.M. or O.E.M. approved

4.3.5 Hybrid-Electric Vehicles (HEV)

4.3.6 Plug-in Hybrid Electric Vehicles (PHEV)

4.3.7 Electric Vehicles (EV) also called Battery Electric Vehicles (BEV)

4.3.8 Fuel Cell Vehicles (FCV)

## 4.4 Vehicle Up-fit / Modifications

4.4.1 The Eligible Agency may request the awarded Contractor(s) to up-fit/modify any vehicle for specific organizational needs. For example, the cab and chassis of ½ ton, ¾ ton, and/or up to 19,500 GVW trucks may require a specialized body (i.e.: dump body, landscape body, etc.). Other vehicles may require interior and/or exterior modifications per the individual Eligible Agency.

4.4.2 The Eligible Agency will supply all up-fit/modification requests to the Contractor. The Contractor shall identify any conditions that apply to the up-fit/modification on a quotation to the Eligible Agency for review before any work commences.

## 4.5 Minimum Vehicle Requirements: All prices shall include the following equipment:

4.5.1 All standard factory equipment

4.5.2 Automatic transmission [maximum towing/payload capacity shall be provided upon request]

4.5.3 Bluetooth capabilities

4.5.4 AM/FM radio

4.5.5 Cruise Control

4.5.6 Power Door Locks/Power Windows

4.5.7 Power Mirrors when available

4.5.8 Four (4) entrance tools (in any combination allowed; keyless entry remotes, integrated or smart keys, standard cut keys) per vehicle.

a. Type of keys to be provided shall be indicated on quote.

4.5.9 Air conditioning

a. Rear air conditioning on all vehicles, when available

4.5.10 Cloth seats

4.5.11 Rear view mirrors including on driver and passenger doors

a. FOR TRUCKS: Rear view mirrors on driver front and passenger front doors, largest available without upgrading vehicle options package.

b. Back up Camera

4.5.12 Spare tire

a. Full size standard steel wheel with matching Original Equipment Manufacturer spare tire identical to standard equipment with the trim level of the delivered vehicle.

b. If full spare is not available due to space or manufacturer standards, an alternative shall be provided and noted on quote provided.

4.5.13 Floor Mats

a. O.E.M. floor mat sets installed in all seating rows where the vehicle comes with carpeted floors.

b. Fixed driver floor mat

4.5.14 Arizona legal tinted glass

4.5.15 Minimum of 2 USB charging Ports

#### 4.6 Specific Requirements for Trucks (when available)

4.6.1 Anti-slip differential for two-wheel drive pickup trucks, ¾ ton, up to 19,500 GVW.

4.6.2 Skid plate package and anti-slip differential for four-wheel drive vehicles

4.6.3 Front tow hooks

### 5 Contractor’s Responsibilities

Contractor shall be responsible for processing the registration, licensing, title and plating of all new vehicles ordered only if requested by the Eligible Agency.

### 6 Department’s Responsibilities

The Eligible Agencies will provide final acceptance and approval of any equipment and services delivered

### 1. CONTRACT TERM

The term of any resultant contract shall commence on the effective day of award and shall continue for a period of twelve months (12) thereafter, unless terminated, cancelled or extended as otherwise provided herein.

### 2. CONTRACT EXTENSION

By mutual written contract amendment, any resultant contract may be extended for supplemental periods of up to a maximum of forty-eight (48) months.

### 3. ELIGIBLE AGENCIES

This contract shall be for the use of all State of Arizona departments, agencies and boards. In addition, eligible universities, political subdivisions and nonprofit educational or public health institutions may participate at their discretion. In order to participate in any resultant contract, a university, political subdivision or nonprofit educational or public health institution must have entered into a cooperative purchasing agreement with the State Procurement Office as required by Arizona Revised Statutes §41-2632.

### 4. NON-EXCLUSIVE CONTRACT

This contract shall be for the sole convenience of the Department. The Department reserves the right to obtain like goods or services from another source when necessary. The Off-Contract Purchase Authorization and subsequent procurement shall be consistent with the Arizona Procurement Code.

### 5. ORDERING PROCESS

The Department shall issue a purchase order to the Contractor. Each purchase order must cite the contract number. This purchase order shall be the only document required for the Department to order and the Contractor to deliver the material and/or service.

Any attempts to represent any material and/or service not specifically awarded as being under contract is a breach of the contract and a violation of the Arizona Procurement Code. Any such action is subject to the legal and contractual remedies available to the State inclusive of but not limited to contract cancellation, suspension and/or debarment of the Contractor.

### 6. SHIPPING TERMS

Delivery shall be F.O.B. Destination to the location designated herein. Contractor shall retain title and control of all goods until they are delivered. All risk of transportation and related charges shall be the responsibility of the Contractor. All claims for visible or concealed damage shall be filed by the Contractor. The Department will notify the Contractor promptly of any damaged goods and shall assist the Contractor in arranging for inspection.

### 7. DELIVERY

Contract prices shown for each vehicle include delivery cost within a sixty (60) mile radius of Phoenix. For the purpose of this contract, the address used for mapping the radius within Phoenix will be as follows:

Equipment services shop/ADOT  
2225 S 22nd Ave, Phoenix, AZ 85009

Delivery costs for each county outside of the Phoenix area shall be indicated on Offer Response form.

This will be an added cost to the contract price.

Deliveries shall be completed in accordance with the requirements of the contract.

Delivery of the product does not constitute acceptance.

### 8. INSPECTION AND ACCEPTANCE

Each item delivered shall be subject to a complete inspection by the Department within 10 days after delivery. Inspection criteria shall include, but not be limited to, conformity to the specifications, workmanship, quality and materials.

If the delivered product is not accepted and returned for corrective action, an additional fifteen (15) calendar days shall be allowed for inspection of the corrected or replacement product.

The Contractor shall be responsible for the transport of the material to and from the Department for the correction of items or workmanship not in compliance with the specifications.

Product returned for corrective action may delay payment. Invoices will be processed for payment only after the product is accepted.

### 9. INVOICING and PAYMENT

Contractor shall submit all billing notices or invoices to the Eligible Agency or Co-Op Buyer at the address indicated on the applicable Order document.

Separate invoices are required for each shipment of product or delivery of service and shall include at a minimum:

- Department Location's Name and Address
- Vendor Name, Remit to Address and Contact Information
- Contract Number
- Purchase Order Number
- Invoice Number and Date
- Date the items were shipped to the Department
- Applicable payment terms
- Contract Line Item Number
- Line Item Description or Item or Service
- Quantity Purchased

- Line Item Unit of Measure
- Price per Unit and Total per Unit
- Catalog or Other Discount (if applicable)
- Net Unit Price and Total per Unit (if applicable)
- Applicable taxes (as a separate invoice line item)
- Applicable Shipping/Freight Charges etc. (as a separate invoice line item) Materials only.
- Total Invoice Amount Due

Invoices not sent to the proper address, or not containing the necessary and required information may delay payment. A Contractor whose payments are delayed due to improper invoicing shall make no claim against the Department or the State for late or finance charges.

The Department will make every effort to process payment for the purchase of product within thirty (30) calendar days after the Department has conducted the necessary reviews, inspections and acceptance as described herein.

The department acceptance date will be the valid date for starting the thirty (30) calendar day payment period.

Payment due dates, including discount periods, will be computed from the date of acceptance or date of correct invoice (whichever is later) to the date the Department's warrant is mailed.

## **10. ESTIMATED USAGE**

The Department anticipates considerable usage under this contract. The Department reserves the right to increase or decrease actual quantities ordered as circumstances may require. No guarantees are made concerning actual purchases under this contract.

## **11. PRICING**

- 1 Phase 1 and 2 pricing for vehicles shall be a minimum Percentage off MSRP, less the manufacturer's rebates and any additional discounts available for that model/power-train combination.
  - a. Contractor shall provide a copy of manufacturer's invoice to the ordering agency upon request. The manufacturer's invoice shall be unaltered to include original pricing from the manufacturer.
  - b. Transportation costs to transfer a vehicle from another dealer for a Phase 2 or purchase from stock may be added to the cost of the vehicle. The justification for this cost is at the discretion of the Eligible Agency.
  - c. Any reference to Phase 1 pricing shall be in reference to vehicles ordered prior to the factory cut-off date.
  - d. Any reference to Phase 2 pricing shall be in reference to vehicles purchased from stock or "on the lot".
  - e. Phase 2 pricing shall receive the same cost considerations as Phase 1 pricing, all discounts and rebates should be passed onto the Eligible Agency.
  - f. All vehicles are to be billed at prices in effect at the time of order, not the date of shipment.

## SPECIAL TERMS AND CONDITIONS

- g. Pricing for vehicles shall include all discounts and deductions, less Federal and State taxes. Pricing shall be firm for life of contract unless amended by way of contract change order.

2 CONTRACTOR’S BEST PRICING: Supplier warrants that, for the term of the Contract, the prices and discounts set out in the Pricing Documents, including any subsequent agreed amendment to it (the “Contract Pricing”), will be equal to or better than the lowest prices and largest discounts, both separately and in combination, at which Contractor sells equivalent items of equipment and materials.

2.1 That price-plus-discount equivalence (“Contractor’s Best Pricing”) is intended to be irrespective of whether or not those other sales have special purchase terms, conditions, rebates or allowances.

2.2 If Contractor’s Best Pricing for equivalent items of equipment and materials is better than the Contract Pricing, then Contractor agrees to adjust the Contract Pricing to match the Contractor’s Best Pricing for all sales related to the Contractor made after the date when the Contractor’s Best Pricing was first better than the Contract Pricing.

2.3 For clarification of intent, that date is intended to be the date when the difference first occurred, which might have been before the difference was first identified. If it was before, then Supplier agrees to charge at less than the Contract Pricing until the extended difference that would have been realized (i.e., if the Contractor’s Best Pricing had been applied when it should have been) has been settled.

3 PRICING-ALL-INCLUSIVE: Pricing is all-inclusive, including any ancillary fees and costs required to accomplish the Scope of Work and all aspects of Contractor’s offer as accepted by State. Details of service not explicitly stated in the Scope of Work or in Contractor’s Offer, but necessarily a part of, are deemed to be understood by Contractor and included herein. All administrative, reporting, or other requirements, all overhead costs and profit and any other costs toward the accomplishment of the requirements in the Contract are included in the pricing provided.

4 LARGE VOLUME DISCOUNT PRICING: An Eligible Agency may seek to obtain additional volume discount pricing for large orders provided Contractor is willing to offer additional discounts for large volume orders. No amendment to this Contract is necessary for Contractor to offer discount pricing to an Eligible Agency for large volume purchases.

5 A price reduction adjustment may be offered at any time during the term of a contract and shall become effective upon notice through a written contract amendment.

### 12. PRICE INCREASE

The Department will review **fully documented** requests for price increases for any contract which will or has been in effect for twelve (12) months. The request shall be submitted no less than 60 days prior to the contract renewal date. The Contractor shall provide fully documented information which supports the price increase request. Fully documented means that the request shall present detailed information and calculations that make it clear how the claimed increase has an impact on the contract unit prices. All assumptions regarding cost factors that have an impact on the requested increase shall also be

clearly identified and justified. The requested price increase must be based upon a cost increase that was clearly unpredictable at the time of the offer and can be shown to directly affect the price of the item concerned. Any price increase adjustment request prior to the time of contract extension will be a factor in the extension review process. The Department will determine whether the requested price increase or an alternate option, is in the best interest of the State. All pricing should reflect the minimum percentage of MSRP.

**13. SAFETY STANDARDS**

Items supplied under this contract shall comply with all current applicable safety standards and regulations including the Occupational Safety and Health Standards of the State of Arizona Industrial Commission, the National Electric Code and the National Fire Protection Association Standards.

**14. WARRANTY**

The Contractor warrants:

1. That all services performed hereunder shall conform to the requirements of this contract and shall be performed by qualified personnel in accordance with the highest professional standards.
2. At a minimum all equipment supplied under these specifications shall be fully warranted by the vehicle manufacturer against mechanical and electrical defects for a minimum period of thirty-six (36) months from the date vehicle is placed in service.
3. This warranty shall cover such items as actual repair labor, parts, and shipping charges to and from the nearest service facility or other designated repair depot.
4. Any defects of design, workmanship or material, shall be fully corrected by the vendor without cost to the state agency or political subdivision.
5. The written warranty shall be included with the delivered vehicles to the Eligible Agency. The warranty terms shall be stated on Attachment 3-A, where indicated. Failure to provide this general information may result in the offer being rejected.
6. Hybrid / Electric Vehicle Warranty: Hybrid-related components including catalytic convertor, electronic control unit, onboard emissions diagnostic device, high voltage battery, transmission, DC/DC convertor for hybrid vehicles shall be covered for 8 years/100,000 miles, battery for electric vehicles shall be 8/years/100,000 miles and bidder shall indicate limitation of warranty due to voltage and amps. The warranty terms shall be stated where indicated on Attachment 3-A. Failure to provide this general information may result in the bid being rejected.

**15. CURRENT PRODUCTS**

All products supplied under this contract shall be in current and ongoing production; shall have been formally announced for general marketing purposes; shall be a model or type currently functioning in a user (paying customer) environment and capable of meeting or exceeding all specifications and requirements set forth in the contract.

**16. PRODUCT DISCONTINUANCE**



In the event that a product or model is discontinued by the manufacturer, the Department at its sole discretion may allow the Contractor to provide a substitute for the discontinued item. The Contractor shall request authorization to substitute a new product or model and provide the following:

1. A formal announcement from the manufacturer that the product or model has been discontinued.
2. Documentation from the manufacturer that names the replacement product or model.
3. Documentation that provides clear and convincing evidence that the replacement meets or exceeds all specifications required by the original solicitation.
4. Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model.
5. Documentation confirming that the price for the replacement is the same as or less than the discontinued product or model.

**17. CONTRACT ADMINISTRATION**

The Contractor shall contact the assigned Procurement Officer for guidance or direction in matters of contract interpretation or questions regarding the terms, conditions or scope of the contract.

**18. NOTICES**

All notices, requests, demands, consents, approvals, and other communications which may or are required to be served or given hereunder (for the purposes of this provisions collectively called “Notices”), shall be in writing and shall be sent by certified United States mail, return receipt requested, or by any other method that provides evidence of receipt, addressed to the party or parties to receive such notice as follows:

A. If intended for the State, to:

Arizona Department of Transportation, Procurement Group  
1739 W. Jackson Street, MD 100P  
Phoenix, Arizona 85007-3276

B. If intended for the Contractor, to the address as identified in the Contractor’s electronic vendor profile. Or to such other address as either party may from time to time furnish in writing to the other by notice hereunder. Any notice so mailed shall be deemed to have been given as of the date such notice is received as shown on the return receipt. Furthermore, such notice may be given by delivering personally such notice, if intended for the State, to the Arizona Department of Transportation, Procurement Officer and, if intended for the Contractor, to the person named on the Offer & Contract Award of this contract, or to such other person as either party may from time to time furnish in writing to the other by notice hereunder. Any notice so delivered shall be deemed to have been given as of the date such notice is personally delivered to the other party.

## **19. CANCELLATION FOR POSSESSION OF WEAPONS ON ADOT PROPERTY**

This contract may be cancelled if Contractor or any subcontractors or others in the employ or under the supervision of the Contractor or subcontractors is found to be in possession of weapons.

Possession of weapons (firearms, explosive device, knife or blade of more than three inches, or any other instrument designed for lethal or disabling use) is prohibited on ADOT property.

Further, if the Contractor or any subcontractors or others in the employ or under the supervision of the Contractors or subcontractors are asked by an ADOT official to leave the ADOT property, they are advised that failure to comply with such a request shall result in cancellation of the contract and anyone who refuses, whether armed or not, is subject to prosecution under A.R.S. § 13-1502, "Criminal trespass in the third degree; classification."

## **20. INDEMNIFICATION CLAUSE**

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona. This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

## **21. INSURANCE REQUIREMENTS**

21.1 Contractor and subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

21.2 The Insurance Requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way

warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

21.3 Minimum Scope and Limits of Insurance Contractor shall provide coverage with limits of liability not less than those stated below.

21.3.1 Commercial General Liability (CGL) – Occurrence Form

The Contractor shall furnish Certificate(s) of Insurance inclusive of the following requirements to the Department. Certificate(s) shall be received within 10 calendar days of notification of contract award by the Procurement Officer.

Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Damage to Rented Premises \$50,000
- Each Occurrence \$1,000,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

21.3.2 Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

- Combined Single Limit (CSL) \$1,000,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving

automobiles owned, hired and/or non-owned by the Contractor.

b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

21.3.3 Workers' Compensation and Employers' Liability

- Workers' Compensation    Statutory
- Employers' Liability
- o Each Accident     \$1,000,000
- o Disease – Each Employee     \$1,000,000
- o Disease – Policy Limit     \$1,000,000

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

b. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

21.4 Additional Insurance Requirements The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

21.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

21.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

21.5 Notice of Cancellation Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

21.6 Acceptability of Insurers Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of

not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

21.7 Verification of Coverage Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

21.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

21.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

21.7.3 All certificates required by this Contract shall be sent directly to the Department. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

21.8 Subcontractors Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

21.9 Approval and Modifications the Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

21.10 Exceptions In the event the Contractor or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Contractor or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

## **22. USAGE REPORT**

The Contractor shall furnish Two (2) Usage reports, the first to the Department on a quarterly basis showing purchasing activity under this contract. This usage report shall be provided in a form substantially equivalent to Exhibit 03. Usage reports shall be submitted to the Procurement Officer no later than 30 days after the end of each quarter.

Usage report quarters shall be defined as follows:

- January through March – Report due April 30
- April through June – Report due July 30
- July through September – Report due October 30
- October through December – Report due January 30

Contractor shall submit the second to the State documenting all Contract sales to both Eligible Agencies and Co-Op Buyers, itemized separately. A *Quarterly Usage Report* shall still be submitted; even if there have been no sales to either Eligible Agencies and/or Co-Op Buyers. Contractor shall further itemize divisions, groups or areas within a given Eligible Agency if they place Orders independently of each other. Failure to submit the report is a material breach of contract, and will entitle State to its remedies under Article 8 and its right to terminate for default under Article 9. Contractor shall submit the report using the forms and following the instructions on the State Procurement Office website:

<https://spo.az.gov/contractor-resources/statewide-contracts-administrative-fee>

### **23. CONTRACT ORDER OF PRECEDENCE**

In the event of a conflict in the provisions of the Contract, as accepted by the Department and as they may be amended, the following shall prevail in the order set forth below:

- Federal Provisions
- Special Terms and Conditions
- Uniform Terms and Conditions
- Statement or Scope of Work
- Specifications
- Attachments
- Exhibits
- Special Instructions to Offerors
- Uniform Instructions to Offerors
- Other documents referenced or included in the Solicitation

### **24. LICENSES, PERMITS, CERTIFICATIONS**

Contractor, at their expense, shall maintain in current status without any violations, complaints, or suspensions during the term of this contract all Federal, State and Local licenses, permits and certifications required for the operation of a business conducted by the Contractor.

### **25. CO-OP USAGE**

Contractor shall verify if an ordering entity is a bona fide Co-Op Buyer before selling Materials to or providing Services for them under the Contract. The current list of Co-Op Buyers is available on the State Procurement Office website:

<https://spo.az.gov/contractor-resources/statewide-contracts-administrative-fee>

Contractor shall sell to Co-Op Buyers at the same price, and with the same lead times and other terms and conditions under which it sells to Eligible Agencies. With the sole exception of any legitimate additional costs for extraordinary shipping, or delivery requirements, if the Co-Op Buyer is having Materials delivered or installed or Services performed at locations not contemplated in the contracted pricing (e.g. delivery to a location outside Arizona).

Contractor shall acknowledge each Order from Co-Op Buyers in conformance with each buyer's instructions given at the time of ordering or in any supplemental participating agreement Contractor might have with them. Orders from Co-Op Buyers create no obligation on State's part, since they are entirely between the Co-Op Buyer and Contractor. That notwithstanding, Contractor's obligation under the Contract is to service Co-Op Buyers commercially as though they were with an Eligible Agency, and Contractor's refusal to do so would be a material breach of the Contract.

### **26. POST AWARD MEETING**

At the discretion of the Department, the Contractor, at their expense, shall attend and participate in post award meetings as scheduled by the Procurement Officer.

## 1. Definition of Terms

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

- 1.1. *“Attachment”* means any item the Solicitation requires the Offeror to submit as part of the Offer.
- 1.2. *“Contract”* means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.
- 1.3. *“Contract Amendment”* means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
- 1.4. *“Contractor”* means any person who has a Contract with the State.
- 1.5. *“Days”* means calendar days unless otherwise specified.
- 1.6. *“Exhibit”* means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
- 1.7. *“Gratuity”* means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
- 1.8. *“Materials”* means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.
- 1.9. *“Procurement Officer”* means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.
- 1.10. *“Services”* means the furnishing of labor, time or effort by a contractor or subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.
- 1.11. *“Subcontract”* means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
- 1.12. *“State”* means the State of Arizona and Department or Agency of the State that executes the Contract.
- 1.13. *“State Fiscal Year”* means the period beginning with July 1 and ending June 30.

## 2. Contract Interpretation

- 2.1. Arizona Law. The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona



Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.

- 2.2. Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
- 2.3. Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
- Federal Provisions
  - Special Terms and Conditions
  - Uniform Terms and Conditions
  - Statement or Scope of Work
  - Specifications
  - Attachments
  - Exhibits
  - Special Instructions to Offerors
  - Uniform Instructions to Offerors
  - Other documents referenced or included in the Solicitation
- 2.4. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 2.5. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.
- 2.6. No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 2.7. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

### **3. Contract Administration and Operation**

- 3.1. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- 3.2. Non-Discrimination. The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

- 3.3. Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.
- 3.4. Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract. The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.
- 3.5. Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.
- 3.6. Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.
- 3.7. Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.
- 3.8. Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by contractor or its subcontractor(s) to any entity not the

State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.

- 3.9. Federal Immigration and Nationality Act. The contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the contractor and/or any subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to; suspension of work, termination of the contract for default and suspension and/or debarment of the contractor.
- 3.10. E-Verify Requirements. In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A.
- 3.11. Offshore Performance of Work Prohibited.  
Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

#### **4. Costs and Payments**

- 4.1. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.
- 4.2. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.
- 4.3. Applicable Taxes.
- 4.3.1. Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.
- 4.3.2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.
- 4.3.3. Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if

applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

4.3.4. IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.

4.4. Availability of Funds for the Next State fiscal year. Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.

4.5. Availability of Funds for the current State fiscal year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:

4.5.1. Accept a decrease in price offered by the contractor;

4.5.2. Cancel the Contract; or

4.5.3. Cancel the contract and re-solicit the requirements.

## 5. **Contract Changes**

5.1. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the procurement officer in writing or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

5.2. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

## 6. **Risk and Liability**

6.1. Risk of Loss: The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.

6.2. Indemnification

6.2.1. Contractor/Vendor Indemnification (Not Public Agency) The parties to this contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

6.2.2. Public Agency Language Only Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers."

6.3. Indemnification - Patent and Copyright. The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

6.4. Force Majeure.

6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2. Force Majeure shall not include the following occurrences:

6.4.2.1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

6.4.2.2. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or

- 6.4.2.3. Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.
- 6.4.3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.
- 6.4.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.
- 6.5. Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

**7. Warranties**

- 7.1. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.
- 7.2. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:
- 7.2.1. Of a quality to pass without objection in the trade under the Contract description;
- 7.2.2. Fit for the intended purposes for which the materials are used;
- 7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;
- 7.2.4. Adequately contained, packaged and marked as the Contract may require; and
- 7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.
- 7.3. Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.
- 7.4. Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.
- 7.5. Compliance With Applicable Laws. The materials and services supplied under this

Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

7.6. Survival of Rights and Obligations after Contract Expiration or Termination.

7.6.1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.6.2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

**8. State's Contractual Remedies**

8.1. Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2. Stop Work Order.

8.2.1. The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3. Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.

8.4. Nonconforming Tender. Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the

materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

- 8.5. Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

**9. Contract Termination**

- 9.1. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.
- 9.2. Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.
- 9.3. Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the contractor shall immediately notify the State.
- 9.4. Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The



Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

9.5. Termination for Default.

9.5.1. In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

9.6. Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

**10. Contract Claims**

All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

**11. Arbitration**

The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

**12. Comments Welcome**

The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15<sup>th</sup> Avenue, Suite 201, Phoenix, Arizona, 85007.

**1. INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION (FTA) TERMS**

The following provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220 available at: <https://www.transit.dot.gov/regulations-and-guidance/fta-circulars/third-party-contracting-guidance> are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any (name of grantee) requests which would cause (name of grantee) to be in violation of the FTA terms and conditions.

The Federal Terms and Conditions under this Contract shall be incorporated in any sub-contractor, or lower-tier agreement for any federally-funded task assignment / project awarded under this Contract.

**2. NO FEDERAL GOVERNMENT OBLIGATIONS TO THIRD PARTIES**

The Department and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this contract and shall not be subject to any obligations or liabilities to the Department, Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by Federal Funding Agency. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

**3. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS AND RELATED ACTS**

Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 USC 3801 et seq. and USDOT regulations, "Program Fraud Civil Remedies," 49 CFR 31, apply to its actions pertaining to this project.

Upon execution of the underlying contract, contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submittal, or certification, the US Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act (1986) on contractor to the extent the US Government deems appropriate.

The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) (5323(l)) on the Contractor, to the extent the Federal Government deems appropriate.

Contractor shall include the above two clauses in each subcontract financed in whole or in part with FTA assistance. The clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

#### **4. ACCESS TO RECORDS AND REPORTS**

The following access to records requirements apply to this Contract:

1. Where the Purchaser is not a State but a local government and is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 C. F. R. 18.36(i), the Contractor shall - provide the Purchaser, the FTA, the US Comptroller General or their authorized representatives access to any books, documents, papers and contractor records which are pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions. Contractor shall also , pursuant to 49 C. F. R. 633.15, provide authorized FTA representative including any PMO Contractor access to Contractor's records and construction sites pertaining to a capital project, defined at 49 U.S.C. 5302(a)1, which is receiving assistance through the programs described at 49 U.S.C. 5307, 5309 or 5311.
2. Where the Purchaser is a State and is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 C.F.R. 633.15, Contractor shall provide the Purchaser, authorized FTA representatives, including any PMO Contractor, access to the Contractor's records and construction sites pertaining to a major capital project, defined at 49 U.S.C. 5302(a)1, which receives FTA assistance through the programs described at 49 U.S.C. 5307, 5309 or 5311. By definition, a major capital project excludes contracts of less than the simplified acquisition threshold currently set at \$250,000.00.
3. Where the Purchaser enters into a negotiated contract for other than a small purchase or under the simplified acquisition threshold and is an institution of higher education, a hospital or other non- profit organization and is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 C.F.R. 19.48, Contractor shall provide the Purchaser, FTA, the US Comptroller General or their authorized representatives with access to any books, documents, papers and record of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions.

4. Where a Purchaser which is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 U.S.C. 5325(a) enters into a contract for a capital project or improvement (defined at 49 U.S.C. 5302(a)1) through other than competitive bidding, the Contractor shall make available records related to the contract to the Purchaser, the Secretary of USDOT and the US Comptroller General or any authorized officer or employee of any of them for the purposes of conducting an audit and inspection.
5. Contractor shall permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
6. The Contractor shall retain, and shall require its subcontractors at all tiers, all books, records, accounts and reports required under this contract for a period of not less than five years after the date of termination or expiration of this contract, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case Contractor agrees to maintain same until the Purchaser, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. Reference 49 CFR 18.39(i)(11).

**5. TERMS OF THE MASTER AGREEMENT AND COMPLIANCE**

Contractor shall at all times comply with all applicable Federal Funding Agency laws, regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement, available at <https://www.transit.dot.gov/funding/grantee-resources/sample-fta-agreements/fta-grant-agreements>, between the Department and FTA, as they may be amended or promulgated from time to time during the term of this contract. This Master Agreement does not have an Expiration Date. This Master Agreement continues to apply to the Recipient and its Underlying Agreement, until modified or superseded by a more recently enacted or issued applicable federal law, regulation, requirement, or guidance, or amendment to this Master Agreement or the Underlying Agreement. To assure compliance the Recipient must take measures to assure that other participants in its Underlying Agreements (*e.g.*, Third Party Participants) comply. Contractor's failure to so comply shall constitute a material breach of this contract.

All contractual provisions required by the U.S. Department of Transportation are hereby incorporated by reference. In the event of additional funding provided by FHWA, the applicable requirements of the Stewardship Agreement, available at <https://www.fhwa.dot.gov/federalaid/stewardship>, between the Department and FHWA are incorporated by reference.

**6. CIVIL RIGHTS REQUIREMENTS**

The AGENCY is an Equal Opportunity Employer. As such, the AGENCY agrees to comply

with all applicable Federal civil rights laws and implementing regulations. Apart from inconsistent requirements imposed by Federal laws or regulations, the AGENCY agrees to comply with the requirements of 49 U.S.C. § 5323(h) (3) by not using any Federal assistance awarded by FTA to support procurements using exclusionary or discriminatory specifications.

Under this Agreement, the Contractor shall at all times comply with the following requirements and shall include these requirements in each subcontract entered into as part thereof.

### Equal Employment Opportunity

1. Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex(including sexual orientation and gender identity), age, or disability. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements Federal Funding Agency may issue.
2. Race, Color, religion, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements Federal Funding Agency may issue.
3. Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 623 and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements Federal Funding Agency may issue.

4. Disabilities - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements Federal Funding Agency may issue.

The Contractor also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided, modified only if necessary to identify the affected parties.

## **7. TERMINATION**

Termination of the contract shall be in accordance with the Uniform Terms and Conditions, Section 9., paragraph 9.1 through 9.6.

## **8. DEBARMENT OR SUSPENSION**

This contract is a covered transaction for purposes of 49 CFR Part 29. As such, the contractor is required to verify that none of the contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945. The contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.

As such, the Contractor shall verify that its principals, affiliates, and subcontractors are eligible to participate in this federally funded contract and are not presently declared by any Federal department or agency to be:

- a) Debarred from participation in any federally assisted Award;
- b) Suspended from participation in any federally assisted Award;
- c) Proposed for debarment from participation in any federally assisted Award;
- d) Declared ineligible to participate in any federally assisted Award;
- e) Voluntarily excluded from participation in any federally assisted Award; or
- f) Disqualified from participation in any federally assisted Award.

By signing and submitting its bid or proposal, the bidder or proposer certifies as follows:

The certification in this clause is a material representation of fact relied upon by the Department. If it is later determined that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to the Department, the

Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 49 CFR 29, Subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

**8.1 GOVERNMENT-WIDE DEBARMENT AND SUSPENSION (NONPROCUREMENT)**

The Contractor agrees to the following:

- (1) It will comply with the requirements of 2 C.F.R. part 180, subpart C, as adopted and supplemented by U.S. DOT regulations at 2 C.F.R. part 1200, which include the following:
  - (a) It will not enter into any arrangement to participate in the development or implementation of the Project with any Third Party Participant that is debarred or suspended except as authorized by: 1 U.S. DOT regulations, “Nonprocurement Suspension and Debarment,” 2 C.F.R. part 1200, 2 U.S. OMB, “Guidelines to Agencies on Government wide Debarment and Suspension (Nonprocurement),” 2 C.F.R. part 180, including any amendments thereto, and 3 Executive Orders Nos. 12549 and 12689, “Debarment and Suspension,” 31 U.S.C. § 6101 note,
  - (b) It will review the U.S. GSA “System for Award Management,” <https://www.sam.gov>, if required by U.S. DOT regulations, 2 C.F.R. part 1200, and
  - (c) It will include, and require each of its Third Party Participants to include, a similar provision in each lower tier covered transaction, ensuring that each lower tier Third Party Participant:
    - (1) Will comply with Federal debarment and suspension requirements, and 2 Reviews the “System for Award Management” at <https://www.sam.gov>, if necessary to comply with U.S. DOT regulations, 2 C.F.R. part 1200, and

If the Department suspends, debars, or takes any similar action against a Third Party Participant or individual, the Department will provide immediate written notice to the:

- (a) FTA Regional Counsel for the Region in which the Recipient is located or implements the Project,
- (b) FTA Project Manager if the Project is

- administered by an FTA Headquarters Office,  
or  
(c) FTA Chief Counsel.

**9. IMPLEMENTATION OF CLEAN AIR ACT AND FEDERAL WATER**

**POLLUTION CONTROL ACT Clean Water**

Contractor shall comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq. Contractor shall report each violation to the recipient and understands and agrees that the recipient shall, in turn, report each violation as required to FTA and the appropriate EPA Regional Office. Contractor shall include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with FTA assistance.

**Clean Air**

- 1) Contractor shall comply with all applicable standards, orders or regulations pursuant to the Clean Air Act, 42 USC 7401 et seq. Contractor shall report each violation to the recipient and understands and agrees that the recipient will, in turn, report each violation as required to FTA and the appropriate EPA Regional Office.
- 2) Contractor shall include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with FTA assistance.

**10. BUY AMERICA**

In any task assignment / project for construction, acquisition of goods, or rolling stock valued at more than \$150,000, the contractor agrees to comply with 49 U.S.C. 5323(j) and 49 C.F.R. part 661, which provide that Federal funds may not be obligated unless all steel, iron, and manufactured products used in FTA funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 C.F.R. § 661.7. Separate requirements for rolling stock are set out at 49 U.S.C. 5323(j)(2)(C) and 49 C.F.R. § 661.11.

Contractor shall comply with 49 USC 5323(j) and 49 CFR 661, stating that Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 CFR 661.7, and include software, microcomputer equipment and small purchases (currently less than \$150,000) made with capital, operating, or planning funds. Separate requirements for rolling stock are stated at 5323(j)(2)(C) and 49 CFR 661.11. Rolling stock must be manufactured in the US and have a minimum 65% domestic content for FY2019 and a minimum 70% domestic content for FY2020 and beyond. A bidder or offeror shall submit appropriate Buy America certification to the recipient with all bids on FTA-funded contracts, except those subject to a general waiver. Proposals not accompanied by a completed a certification shall be rejected as



nonresponsive. This requirement does not apply to lower tier subcontractors.

**11. BREACHES AND DISPUTE RESOLUTION**

The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the (Recipient), (Architect) or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

Disputes arising in the performance of this contract which are not resolved by agreement of the parties shall be decided in writing by the Department. This decision shall be final and conclusive unless within ten days from the date of receipt of its copy, contractor mails or otherwise furnishes a written appeal to the Department. In connection with such appeal, contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the Department shall be binding upon contractor and contractor shall abide by the decision. FTA has a vested interest in the settlement of any violation of Federal law including the False Claims Act, 31 U.S.C. § 3729.

Performance During Dispute - Unless otherwise directed by the recipient, contractor shall continue performance under this contract while matters in dispute are being resolved. Claims for Damages - Should either party to the contract suffer injury or damage to person or property because of any act or omission of the party or of any of its employees, agents or others for whose acts it is legally liable, a claim for damages therefore shall be made in writing to such other party within ten days after the first observance of such injury or damage.

Remedies - Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the Department and contractor arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the residing State.

Rights and Remedies - Duties and obligations imposed by the contract documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the Department or contractor shall constitute a waiver of any right or duty afforded any of them under the contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

**12. LOBBYING**

The Contractor agrees to comply with the provisions of Title 31, U.S. C 1352 as

amended by the Lobbying Disclosure Act of 1995, P.L. 104-65 [to be codified at 2 U.S.C. 1601, et seq.] and (Public Law 101.121) as codified in Title 48, Federal Acquisition Regulations Subpart 3.8 and Subpart 52.203-11. The legislation prohibits Federal funds from being expended by a recipient or any lower tier sub-recipients of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence a Federal agency or Congress in connection with the award of any Federal contract, the making of any Federal grant or loan, or entering into any cooperative agreement, including the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement. All disclosure statements are to be furnished to the Department.

Contractors who apply or propose/bid for an award of \$100,000 or more in value shall file the attached Lobbying Certification {01Lobbying Certification document} required by 49 CFR part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient.

### **13. FLY AMERICA**

The Contractor agrees to comply with 49 U.S.C. 40118 (the "Fly America" Act) in accordance with the General Services Administration's regulations at 41 CFR Part 301-10, which provide that recipients of Federal funds and their contractors are required to use U.S. flag air carriers for U.S Government- financed international air travel and transportation of their personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. The Contractor shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service by a U.S. flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. The Contractor agrees to include the requirements of this section in all subcontracts that may involve international air transportation.

### **14. ENERGY CONSERVATION**

The contractor agrees to comply with mandatory standards and policies relating to energy efficiency, stated in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

**15. CONFLICTS OF INTEREST / EMPLOYMENT OF FEDERAL PERSONNEL**

Contractors will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the Department or the Federal funding agency shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when: The employee, officer or agent, any member of his immediate family, His or her partner, or an organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. Department officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements.

**16. COPYRIGHT AND PATENT**

To the extent permitted by A.R.S. § 41-621 and § 35-154, the Contractor shall indemnify and hold harmless ADOT against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of this contract performance or use by ADOT of materials furnished or work performed under this contract. ADOT shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph.

Copyrights pursuant to 23 CFR 420.121 (b): The Department, as a State DOT may copyright any books, publications, or other copyrightable materials developed in the course of the project, and does herein exercise that right. The federal funding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for Government purposes.

Patents pursuant to 23 CFR 420.121 (i): The Department, as a State DOT is subject to the provisions of 37 CFR part 401 governing patents and inventions and must include or cite the standard patent rights clause at 37 CFR 401.14, except for §401.14(g), in all subgrants or contracts. In addition, State DOTs must include the following clause, suitably modified to identify the parties, in all subgrants or contracts, regardless of tier, for experimental, developmental or research work: "The subgrantee or contractor will retain all rights provided for the State in this clause, and the State will not, as part of the consideration for awarding the subgrant or contract, obtain rights in the subgrantee's or contractor's subject inventions."

Standard Patent Rights required pursuant to 37 CFR 401.14:

(a) Definitions

(1) Invention means any invention or discovery which is or may be patentable or otherwise protectable under Title 35 of the United States Code, or any novel variety of plant which is or may be protected under the Plant Variety Protection Act (7 U.S.C.

2321 et seq.).

(2) Subject invention means any invention of the contractor conceived or first actually reduced to practice in the performance of work under this contract, provided that in the case of a variety of plant, the date of determination (as defined in section 41(d) of the Plant Variety Protection Act, 7 U.S.C. 2401(d)) must also occur during the period of contract performance.

(3) Practical Application means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is being utilized and that its benefits are, to the extent permitted by law or government regulations, available to the public on reasonable terms.

(4) Made when used in relation to any invention means the conception or first actual reduction to practice of such invention.

(5) Small Business Firm means a small business concern as defined at section 2 of Pub. L. 85-536 (15 U.S.C. 632) and implementing regulations of the Administrator of the Small Business Administration. For the purpose of this clause, the size standards for small business concerns involved in government procurement and subcontracting at 13 CFR 121.3-8 and 13 CFR 121.3-12, respectively, will be used.

(6) Nonprofit Organization means a university or other institution of higher education or an organization of the type described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c) and exempt from taxation under section 501(a) of the Internal Revenue Code (25 U.S.C. 501(a)) or any nonprofit scientific or educational organization qualified under a state nonprofit organization statute.

(7) The term statutory period means the one-year period before the effective filing date of a claimed invention during which exceptions to prior art exist per 35 U.S.C. 102(b) as amended by the Leahy-Smith America Invents Act, Public Law 112-29.

(8) The term contractor means any person, small business firm or nonprofit organization, or, as set forth in section 1, paragraph (b)(4) of Executive Order 12591, as amended, any business firm regardless of size, which is a party to a funding agreement.

**(b) Allocation of Principal Rights**

The Contractor may retain the entire right, title, and interest throughout the world to each subject invention subject to the provisions of this clause and 35 U.S.C. 203. With respect to any subject invention in which the Contractor retains title, the Federal government shall have a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States the subject invention

throughout the world.

(c) Invention Disclosure, Election of Title and Filing of Patent Application by Contractor

(1) The contractor will disclose each subject invention to the Federal Agency within two months after the inventor discloses it in writing to contractor personnel responsible for patent matters. The disclosure to the agency shall be in the form of a written report and shall identify the contract under which the invention was made and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding to the extent known at the time of the disclosure, of the nature, purpose, operation, and the physical, chemical, biological or electrical characteristics of the invention. The disclosure shall also identify any publication, on sale or public use of the invention and whether a manuscript describing the invention has been submitted for publication and, if so, whether it has been accepted for publication at the time of disclosure. In addition, after disclosure to the agency, the Contractor will promptly notify the agency of the acceptance of any manuscript describing the invention for publication or of any on sale or public use planned by the contractor.

(2) The contractor will elect in writing whether or not to retain title to any such invention by notifying the Federal agency within two years of disclosure to the Federal agency. However, in any case where a patent, a printed publication, public use, sale, or other availability to the public has initiated the one year statutory period wherein valid patent protection can still be obtained in the United States, the period for election of title may be shortened by the agency to a date that is no more than 60 days prior to the end of the statutory period.

(3) The contractor will file its initial patent application on a subject invention to which it elects to retain title within one year after election of title or, if earlier, prior to the end of any statutory period wherein valid patent protection can be obtained in the United States after a publication, on sale, or public use. If the contractor files a provisional application as its initial patent application, it shall file a non-provisional application within 10 months of the filing of the provisional application. The contractor will file patent applications in additional countries or international patent offices within either ten months of the first filed patent application or six months from the date permission is granted by the Commissioner of Patents to file foreign patent applications where such filing has been prohibited by a Secrecy Order.

(4) For any subject invention with Federal agency and contractor co-inventors, where the Federal agency employing such co-inventor determines that it would be in the interest of the government, pursuant to 35 U.S.C. 207(a)(3), to file an initial patent application on the subject invention, the Federal agency employing such co-inventor, at its discretion and in consultation with the contractor, may file such application at its own expense, provided that the contractor retains the ability to elect title pursuant to 35 U.S.C. 202(a).

(5) Requests for extension of the time for disclosure, election, and filing under

paragraphs (1), (2), and (3) of this clause may, at the discretion of the Federal agency, be granted. When a contractor has requested an extension for filing a non-provisional application after filing a provisional application, a one-year extension will be granted unless the Federal agency notifies the contractor within 60 days of receiving the request.

(d) Conditions When the Government May Obtain Title

The contractor will convey to the Federal agency, upon written request, title to any subject invention—

(1) If the contractor fails to disclose or elect title to the subject invention within the times specified in paragraph (c) of this clause, or elects not to retain title.

(2) In those countries in which the contractor fails to file patent applications within the times specified in paragraph (c) of this clause; provided, however, that if the contractor has filed a patent application in a country after the times specified in paragraph (c) of this clause, but prior to its receipt of the written request of the Federal agency, the contractor shall continue to retain title in that country.

(3) In any country in which the contractor decides not to continue the prosecution of any non-provisional patent application for, to pay a maintenance, annuity or renewal fee on, or to defend in a reexamination or opposition proceeding on, a patent on a subject invention.

(e) Minimum Rights to Contractor and Protection of the Contractor Right to File

(1) The contractor will retain a nonexclusive royalty-free license throughout the world in each subject invention to which the Government obtains title, except if the contractor fails to disclose the invention within the times specified in (c), above. The contractor's license extends to its domestic subsidiary and affiliates, if any, within the corporate structure of which the contractor is a party and includes the right to grant sublicenses of the same scope to the extent the contractor was legally obligated to do so at the time the contract was awarded. The license is transferable only with the approval of the Federal agency except when transferred to the successor of that party of the contractor's business to which the invention pertains.

(2) The contractor's domestic license may be revoked or modified by the funding Federal agency to the extent necessary to achieve expeditious practical application of the subject invention pursuant to an application for an exclusive license submitted in accordance with applicable provisions at 37 CFR part 404 and agency licensing regulations (if any). This license will not be revoked in that field of use or the geographical areas in which the contractor has achieved practical application and continues to make the benefits of the invention reasonably accessible to the public. The license in any foreign country may be revoked or modified at the discretion of the funding Federal agency to the extent the contractor, its licensees, or the domestic

subsidiaries or affiliates have failed to achieve practical application in that foreign country.

(3) Before revocation or modification of the license, the funding Federal agency will furnish the contractor a written notice of its intention to revoke or modify the license, and the contractor will be allowed thirty days (or such other time as may be authorized by the funding Federal agency for good cause shown by the contractor) after the notice to show cause why the license should not be revoked or modified. The contractor has the right to appeal, in accordance with applicable regulations in 37 CFR part 404 and agency regulations (if any) concerning the licensing of Government-owned inventions, any decision concerning the revocation or modification of the license.

(f) Contractor Action to Protect the Government's Interest

(1) The contractor agrees to execute or to have executed and promptly deliver to the Federal agency all instruments necessary to (i) establish or confirm the rights the Government has throughout the world in those subject inventions to which the contractor elects to retain title, and (ii) convey title to the Federal agency when requested under paragraph (d) above and to enable the government to obtain patent protection throughout the world in that subject invention.

(2) The contractor agrees to require, by written agreement, its employees, other than clerical and nontechnical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in a format suggested by the contractor each subject invention made under contract in order that the contractor can comply with the disclosure provisions of paragraph (c) of this clause, to assign to the contractor the entire right, title and interest in and to each subject invention made under contract, and to execute all papers necessary to file patent applications on subject inventions and to establish the government's rights in the subject inventions. This disclosure format should require, as a minimum, the information required by paragraph (c)(1) of this clause. The contractor shall instruct such employees through employee agreements or other suitable educational programs on the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.

(3) For each subject invention, the contractor will, no less than 60 days prior to the expiration of the statutory deadline, notify the Federal agency of any decision: Not to continue the prosecution of a non-provisional patent application; not to pay a maintenance, annuity or renewal fee; not to defend in a reexamination or opposition proceeding on a patent, in any country; to request, be a party to, or take action in a trial proceeding before the Patent Trial and Appeals Board of the U.S. Patent and Trademark Office, including but not limited to post-grant review, review of a business method patent, inter partes review, and derivation proceeding; or to request, be a party to, or take action in a non-trial submission of art or information at the U.S. Patent and Trademark Office, including but not limited to a pre-issuance submission, a

post-issuance submission, and supplemental examination.

(4) The contractor agrees to include, within the specification of any United States patent applications and any patent issuing thereon covering a subject invention, the following statement, "This invention was made with government support under (identify the contract) awarded by (identify the Federal agency). The government has certain rights in the invention."

(g) Subcontracts

(1) The contractor will include this clause, suitably modified to identify the parties, in all subcontracts, regardless of tier, for experimental, developmental or research work to be performed by a subcontractor.. The subcontractor will retain all rights provided for the contractor in this clause, and the contractor will not, as part of the consideration for awarding the subcontract, obtain rights in the subcontractor's subject inventions.

(2) The contractor will include in all other subcontracts, regardless of tier, for experimental developmental or research work the patent rights clause required by (cite section of agency implementing regulations or FAR).

(3) In the case of subcontracts, at any tier, when the prime award with the Federal agency was a contract (but not a grant or cooperative agreement), the agency, subcontractor, and the contractor agree that the mutual obligations of the parties created by this clause constitute a contract between the subcontractor and the Federal agency with respect to the matters covered by the clause; provided, however, that nothing in this paragraph is intended to confer any jurisdiction under the Contract Disputes Act in connection with proceedings under paragraph (j) of this clause.

(h) Reporting on Utilization of Subject Inventions

The Contractor agrees to submit on request periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization that are being made by the contractor or its licensees or assignees. Such reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the contractor, and such other data and information as the agency may reasonably specify. The contractor also agrees to provide additional reports as may be requested by the agency in connection with any march-in proceeding undertaken by the agency in accordance with paragraph (j) of this clause. As required by 35 U.S.C. 202(c)(5), the agency agrees it will not disclose such information to persons outside the government without permission of the contractor.

(i) Preference for United States Industry

Notwithstanding any other provision of this clause, the contractor agrees that neither



it nor any assignee will grant to any person the exclusive right to use or sell any subject inventions in the United States unless such person agrees that any products embodying the subject invention or produced through the use of the subject invention will be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by the Federal agency upon a showing by the contractor or its assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.

(j) March-in Rights

The contractor agrees that with respect to any subject invention in which it has acquired title, the Federal agency has the right in accordance with the procedures in 37 CFR 401.6 and any supplemental regulations of the agency to require the contractor, an assignee or exclusive licensee of a subject invention to grant a nonexclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the contractor, assignee, or exclusive licensee refuses such a request the Federal agency has the right to grant such a license itself if the Federal agency determines that:

(1) Such action is necessary because the contractor or assignee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use.

(2) Such action is necessary to alleviate health or safety needs which are not reasonably satisfied by the contractor, assignee or their licensees;

(3) Such action is necessary to meet requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the contractor, assignee or licensees; or

(4) Such action is necessary because the agreement required by paragraph (i) of this clause has not been obtained or waived or because a licensee of the exclusive right to use or sell any subject invention in the United States is in breach of such agreement.

(k) Special Provisions for Contracts with Nonprofit Organizations

If the contractor is a nonprofit organization, it agrees that:

(1) Rights to a subject invention in the United States may not be assigned without the approval of the Federal agency, except where such assignment is made to an organization which has as one of its primary functions the management of inventions, provided that such assignee will be subject to the same provisions as the contractor;

(2) The contractor will share royalties collected on a subject invention with the inventor, including Federal employee co-inventors (when the agency deems it appropriate) when the subject invention is assigned in accordance with 35 U.S.C. 202(e) and 37 CFR 401.10;

(3) The balance of any royalties or income earned by the contractor with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions, will be utilized for the support of scientific research or education; and

(4) It will make efforts that are reasonable under the circumstances to attract licensees of subject inventions that are small business firms and that it will give a preference to a small business firm when licensing a subject invention if the contractor determines that the small business firm has a plan or proposal for marketing the invention which, if executed, is equally as likely to bring the invention to practical application as any plans or proposals from applicants that are not small business firms; provided, that the contractor is also satisfied that the small business firm has the capability and resources to carry out its plan or proposal. The decision whether to give a preference in any specific case will be at the discretion of the contractor. However, the contractor agrees that the Federal agency may review the contractor's licensing program and decisions regarding small business applicants, and the contractor will negotiate changes to its licensing policies, procedures, or practices with the Federal agency when the Federal agency's review discloses that the contractor could take reasonable steps to implement more effectively the requirements of this paragraph (k)(4). In accordance with 37 CFR 401.7, the Federal agency or the contractor may request that the Secretary review the contractor's licensing program and decisions regarding small business applicants.

#### **17. RECOVERED MATERIALS**

The Contractor agrees to provide a preference for those products and services that conserve natural resources, protect the environment, and are energy efficient by complying with and facilitating compliance with Section 6002 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6962, and U.S. Environmental Protection Agency (U.S. EPA), "Comprehensive Procurement Guideline for Products Containing Recovered Materials," 40 C.F.R. part 247.

#### **18. SAFE OPERATION OF MOTOR VEHICLES**

a. Seat Belt Use. The Recipient agrees to implement Executive Order No. 13043, "Increasing Seat Belt Use in the United States," April 16, 1997, 23 U.S.C. § 402 note, (62 Fed. Reg. 19217), by:

(1) Adopting and promoting on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned vehicles, company-rented vehicles, or personally operated vehicles, and

(2) Including a “Seat Belt Use” provision in each third party agreement related to the Award.

b. Distracted Driving, Including Text Messaging While Driving. The Recipient agrees to comply with:

(1) Executive Order No. 13513, “Federal Leadership on Reducing Text Messaging While Driving,” October 1, 2009, 23 U.S.C. § 402 note, (74 Fed. Reg. 51225),

(2) U.S. DOT Order 3902.10, “Text Messaging While Driving,” December 30, 2009, and

(3) The following U.S. DOT Special Provision pertaining to Distracted Driving:

(a) Safety. The Recipient agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while using an electronic device supplied by an employer, and driving a vehicle the driver owns or rents, a vehicle Recipient owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the Award, or when performing any work for or on behalf of the Award,

(b) Recipient Size. The Recipient agrees to conduct workplace safety initiatives in a manner commensurate with its size, such as establishing new rules and programs to prohibit text messaging while driving, re-evaluating the existing programs to prohibit text messaging while driving, and providing education, awareness, and other outreach to employees about the safety risks associated with texting while driving, and

(c) Extension of Provision. The Recipient agrees to include the preceding Special Provision of section 34.b(3)(a) – (b) of this Master Agreement in its third party agreements, and encourage its Third Party Participants to comply with this Special Provision, and include this Special Provision in each third party subagreement at each tier supported with federal assistance.

## **19. CERTIFICATION AND ASSURANCES**

The FTA Certifications and Assurances are incorporated herein by reference. Upon award or contract renewal, the Contractor must agree to comply with the most current FTA Certifications and Assurances by signing and submitting the signature page provided by the Department. In the event FTA issues new Certifications and Assurances, the Department reserves the right to require submission of a new signature page agreeing to comply; to be added to the terms and conditions by Amendment. All such requests are a condition of continued award.

**20. DISADVANTAGED BUSINESS ENTERPRISES**

**1.0 Policy:**

The Arizona Department of Transportation (hereinafter the Department) has established a Disadvantaged Business Enterprise (DBE) program in accordance with the regulations of the U.S. Department of Transportation (USDOT), 49 CFR Part 26. The Department has received Federal financial assistance from the U.S. Department of Transportation and as a condition of receiving this assistance, the Department has signed an assurance that it will comply with 49 CFR Part 26.

It is the policy of the Department to ensure that DBEs, as defined in Part 26, have an equal opportunity to receive and participate in USDOT-assisted contracts. It is also the policy of the Department:

1. To ensure nondiscrimination in the award and administration of USDOT-assisted contracts;
2. To create a level playing field on which DBEs can compete fairly for USDOT-assisted contracts;
3. To ensure that the DBE program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are counted as DBEs;
5. To help remove barriers to the participation of DBEs in USDOT-assisted contracts;
6. To assist in the development of firms that can compete successfully in the market place outside the DBE program; and
7. To promote the use of DBEs in all types of federally-assisted contracts and procurement activities.

It is also the policy of the Department to facilitate and encourage participation of Small Business Concerns (SBCs), as defined herein, in USDOT-assisted contracts. The Department encourages contractors to take reasonable steps to eliminate obstacles to SBCs' participation and to utilize SBCs in performing contracts.

**2.0 Assurances of Non-Discrimination:**

The contractor, subrecipient, or subcontractor shall not discriminate on the basis of race, color, sex or national origin in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the Department deems appropriate, which may include, but are not limited to:

1. Withholding monthly progress payments;
2. Assessing sanctions;

3. Liquidated damages;
4. Suspension or Debarment per Uniform Terms and Conditions Paragraph 9.3 of the contractor from future bidding; and/or
5. Cancellation, termination, or suspension of the Contract, in whole or in part.

The contractor, subrecipient, or subcontractor shall ensure that all subcontract agreements contain this non-discrimination assurance.

**3.0 Definitions:**

**(A) Commercially Useful Function (CUF):** Commercially Useful Function is defined fully in 49 CFR 26.55, which definition is incorporated herein by reference.

**(B) Disadvantaged Business Enterprise (DBE):** a for-profit small business concern which meets both of the following requirements:

(1) Is at least 51 percent owned by one or more socially and economically disadvantaged individuals or, in the case of any publicly owned business, at least 51 percent of the stock is owned by one or more such individuals; and,

(2) Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

**(C) NAICS Code:** The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

**(D) Non-DBE:** any firm that is not a DBE.

**(E) Race-Conscious (RC):** a measure or program focused specifically on assisting only DBEs, including women-owned DBEs.

**(F) Race-Neutral (RN):** a measure or program used to assist all small businesses. For the purposes of this part, race-neutral includes gender-neutrality.

**(G) Small Business Concern (SBC):** a business that meets all of the following conditions:

(1) Operates as a for-profit business registered to do business in Arizona;

(2) Operates a place of business primarily within the U.S., or makes a significant contribution to the U.S. economy through payment of taxes

or use of American products, materials, or labor;

- (3) Is independently owned and operated;
- (4) Is not dominant in its field on a national basis; and
- (5) Does not have annual gross receipts that exceed the Small Business Administration size standards average annual income criteria for its primary North American Industry Classification System (NAICS) code.

**(H) Socially and Economically Disadvantaged Individuals:** any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who is:

- (1) Any individual who is found to be a socially and economically disadvantaged individual on a case-by-case basis.
- (2) Any individual in the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged:
  - (i) "Black Americans," which includes persons having origins in any of the Black racial groups of Africa;
  - (ii) "Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;
  - (iii) "Native Americans," which includes persons who are enrolled members of federally or State recognized Indian tribe, Alaskan Natives or Native Hawaiians;
  - (iv) "Asian-Pacific Americans," which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Republic of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Tuvalu, Nauru, Federated States of Micronesia, or Hong Kong;
  - (v) "Subcontinent Asian Americans," which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka;
  - (vi) "Women;"
  - (vii) Any additional groups whose members are designated as socially and economically disadvantaged by the Small Business

Administration (SBA), at such time as the SBA designation becomes effective.

**4.0 Working with DBEs:**

The Department works with DBEs and assists them in their efforts to participate in the highway construction. All proposers should contact the Department's Business Engagement and Compliance Office (BECO) by phone, through email, or at the address shown below, for assistance in their efforts to use DBEs in the highway construction industry. BECO contact information is as follows:

Arizona Department of  
Transportation Business  
Engagement and Compliance  
Office 1801 W. Jefferson St.,  
Ste. 101, Mail Drop 154A  
Phoenix, AZ 85007  
Phone (602) 712-7761  
FAX (602) 712-8429  
Email: [contractorcompliance@azdot.gov](mailto:contractorcompliance@azdot.gov) Website: [www.azdot.gov/bec](http://www.azdot.gov/bec)

**4.01 Mentor-Protégé Program:**

The Department has established a Mentor- Protégé program as an initiative to encourage and develop disadvantaged businesses in the highway construction industry. The program encourages prime contractors to provide certain types of assistance to certified DBE subcontractors. ADOT encourages contractors and certified DBE subcontractors to engage in a Mentor-Protégé agreement under certain conditions. Such an agreement must be mutually beneficial to both parties and to ADOT in fulfilling requirements of 49 CFR Part 23. For guidance regarding this program refer to the Mentor-Protégé Program Guidelines available on the BECO website.

The Mentor-Protégé program is intended to increase legitimate DBE activities. The program does not diminish the DBE rules or regulations, and participants may not circumvent these rules.

**5.0 Applicability:**

The Department has established an overall annual goal for DBE participation on Federal aid contracts. The Department intends for the goal to be met with a combination of race conscious efforts and race neutral efforts. Race conscious participation occurs when the contractor uses a percentage of DBEs, as defined herein, to meet the contract specified goal. Race neutral efforts are those that are, or can be, used to assist all small businesses or increase opportunities for all small businesses. The regulation, 49 CFR 26, defines race neutral as when a DBE wins a prime contract through customary competitive procurement procedures or is awarded a subcontract

on a prime contract that does not carry a DBE contract goal.

Prime contractors are encouraged to obtain DBE participation even if a DBE goal was not established on a contract.

The DBE provisions are applicable to all contractors including DBE contractors.

**6.0 Certification and Registration:**

**6.1 DBE Certification:**

Certification as a DBE shall be predicated on:

- (1) The completion and execution of an application for certification as a "Disadvantaged Business Enterprise".
- (2) The submission of documents pertaining to the firm(s) as stated in the application(s), including but not limited to a statement of social disadvantage and a personal financial statement.
- (3) The submission of any additional information which the Department or the applicable Arizona Unified Certification (UCP) agency may require to determine the firm's eligibility to participate in the DBE program.
- (4) The information obtained during the on-site visits to the offices of the firm and to active job-sites.

Applications for certification may be filed online with the Department or the applicable UCP agency at any time through the Arizona Unified Transportation Registration and Certification System (AZ UTRACS) website at <http://www.azutracs.com>.

DBE firms and firms seeking DBE certification shall cooperate fully with requests for information relevant to the certification process. Failure or refusal to provide such information is a ground for denial or removal of certification.

ADOT is a member of the AZ Unified Certification Program (AZUCP). Only DBE firms that are certified by the AZUCP are eligible for credit on ADOT projects. A list of DBE firms certified by AZUCP is available on the internet at <http://www.azutracs.com/>. The list will indicate contact information and specialty for each DBE firm, and may be sorted in a variety of ways. However, ADOT does not guarantee the accuracy and/or completeness of this information, nor does ADOT represent that any licenses or registrations are appropriate for the work to be done.

The Department's certification of a DBE is not a representation of qualifications and/or abilities nor does it mean that a DBE firm is guaranteed or entitled to receive or be awarded a contract. Being certified simply means that a firm has met the criteria for



DBE certification as outlined in 49 CFR Part 26. The contractor bears all risks of ensuring that DBE firms selected by the contractor are able to perform the work.

**6.2 SBC Registration:**

To comply with 49 CFR Part 26.39, ADOT’s DBE Program incorporates contracting requirements to facilitate participation by Small Business Concerns (SBCs) in federally assisted contracts. SBCs are for-profit businesses authorized to do businesses in Arizona that meet the Small Business Administration (SBA) size standards for average annual revenue criteria for its primary North American Industry Classification System (NAICS) code.

While the SBC component of the DBE program does not require utilization of goals on projects, ADOT strongly encourages contractors to utilize small businesses that are registered in AZ UTRACS on their contracts, in addition to DBEs meeting the certification requirement. The contractor may use the AZ UTRACS website to search for certified DBEs and registered SBCs that can be used on the contract. However, SBCs that are not DBEs will not be counted toward DBE participation.

SBCs can register online at the AZ UTRACS website.

The Department’s registration of SBCs is not a representation of qualifications and/or abilities nor does it mean that an SBC firm is guaranteed or entitled to receive or be awarded a contract. Being SBC registered simply means that a firm has met the criteria for SBC registration as outlined in 49 CFR Part 26. The contractor bears all risks of ensuring that SBC firms selected by the contractor are able to perform the work.

**7.0 DBE Financial Institutions:**

The Department thoroughly investigates the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in its service area and makes reasonable efforts to use these institutions. The Department encourages prime contractors to use such institutions on USDOT assisted contracts. However, use of DBE financial institutions will not be counted toward DBE participation.

The Department encourages prime contractors to research the Federal Reserve Board website at [www.federalreserve.gov](http://www.federalreserve.gov) to identify minority-owned banks in Arizona derived from the Consolidated Reports of Condition and Income filed quarterly by banks (FFIEC 031 and 041) and from other information on the Board’s National Information Center database.

**8.0 Time is of the Essence:**

**TIME IS OF THE ESSENCE IN RESPECT TO THE DBE PROVISIONS.**

**9.0 Computation of Time:**

In computing any period of time described in this DBE special provision, such as calendar days, the day from which the period begins to run is not counted, and when the last day of the period is a Saturday, Sunday, or Federal or State holiday, the period extends to the next day that is not a Saturday, Sunday, or Federal or State holiday. In circumstances where the Department's offices are closed for all or part of the last day, the period extends to the next day on which the Department's offices are open.

**10.0 Contractor and Subcontractor Requirements:**

**10.1 General:**

Each contractor shall establish a program that will ensure nondiscrimination in the award and administration of contracts and subcontracts.

Agreements between the bidder and a DBE in which the DBE promises not to provide subcontracting quotations to other bidders are prohibited.

**10.2 DBE Liaison:**

The contractor shall designate a DBE Liaison responsible for the administration of the contractor's DBE program. The name of the designated DBE Liaison shall be included in the DBE Intended Participation Affidavit Summary.

**11.0 DBE Goals**

The Department has not established contract goals for DBE participation in this contract.

Contractors are still encouraged to employ reasonable means to obtain DBE participation. Contractors must retain records in accordance with these DBE specifications. The contractor is notified that this record keeping is important to the Department so that it can track DBE participation where only race neutral efforts are employed.

**11.1 Race Neutral Contract (With No DBE Goal)**

The Department has established a Disadvantaged Business Enterprise (DBE) program in accordance with the regulations of the U.S. Department of Transportation (USDOT), 49 CFR Part 26. ADOT has received federal financial assistance from the USDOT and as a condition of receiving this assistance, ADOT has signed an assurance that it shall comply with 49 CFR Part 26.

It is ADOT's policy to ensure that DBEs, as defined in 49 CFR Part 26, have an equal opportunity to receive and participate in federally-funded contracts.

NO CONTRACT DBE GOAL HAS BEEN ESTABLISHED FOR DBE PARTICIPATION ON THIS CONTRACT.

Contractors are still encouraged to employ reasonable means to obtain DBE participation. Contractors must retain records in accordance with these DBE specifications. The consultant is notified that this record keeping is important to the Department so that it can track DBE participation where only race neutral efforts are employed.

**12.0 Bidders/Proposers List and AZ UTRACS Registration Requirement:**

Under Title 49 CFR of the Code of Federal Regulations, Part 26.11, DOTs are required to collect certain information from all contractors and subcontractors who seek to work on federally-assisted contracts in order to set overall and contract DBE goals. ADOT collects this information when firms register their companies on the Arizona Unified Transportation Registration and Certification System (AZ UTRACS) web portal at <http://www.azutracs.com/> a centralized database for companies that seek to do business with ADOT. This information will be maintained as confidential to the extent allowed by federal and state law.

Prime contractors and all subcontractors, including DBEs listed in the offer must be registered in AZUTRACS. Proposers may verify that their firm and each subcontractor is registered using the AZUTRACS website.

Proposers may obtain additional information at the AZ UTRACS website or by contacting BECO.

All proposers shall create a Bidders/Proposers list in the AZ UTRACS by selecting all firms, service providers, and vendors that expressed interest or submitted proposals or quotes for this contract. The Bidders/Proposers List form must be complete and must include the names for all subcontractors, service providers, and vendors that submitted proposals or quotes on this project regardless of the proposer's intentions to use the those firms on the project.

All proposers must complete and submit the Bidders/Proposers List online at AZ UTRACS prior to Offer submittal. A confirmation email will be generated by the system. This email confirmation shall be submitted with the Offer.

**13.0 Payment Reporting:**

The contractor shall report on a monthly basis indicating the amounts paid to all subcontractors, of all tiers, working on the project. Reporting shall be in accordance with below.

**Subcontracts:**

- a. Sub-Contract Terms:

1. The Contractor agrees to execute a written Contract with all Subcontractors for work to be completed under this Contract. The executed Contract shall include Subcontractor's Scope of Work and all the Uniform Terms and Conditions set forth in this Contract.
2. The Contractor shall provide electronic copies of signed subcontract agreements with all Subcontractors to ADOT Business Engagement and Compliance Office (BECO) by uploading them to the BECO's online DBE Contract & Labor Compliance Management System (**DBE System**) at <https://adot.dbesystem.com>. Subcontract agreements shall include all required assurances and required clauses as outlined in this Contract. Each agreement and required attachment shall be dated and signed by the Subcontractor in order for the subcontract to be considered valid.
3. The Contractor may be in breach of this Contract if the Contractor materially modifies the federal regulations and State statutes in its subcontract agreements terms and conditions with its Subcontractors. Deviations from the terms of this Contract may result in termination of the Contract, or any other such remedy as deemed appropriate by the Department.

b. Sub-Contract Payments

1. Retention: If the prime contract does not provide for retention, the contractor and each subcontractor of any tier shall not withhold retention on any subcontract. If the prime contract provides for retention, the prime contractor and each subcontractor of any tier shall not retain a higher percentage than the Department may retain under the prime contract. Retainage shall be paid to the subcontractor within 7 days of satisfactory completion of the work performed by the subcontractor.
2. No Set-offs Arising from Other Contracts: If a subcontractor is performing work on multiple contracts for the same contractor or subcontractor of any tier, the contractor or subcontractor of any tier shall not withhold or reduce payment from its subcontractors on the contract because of disputes or claims on another contract.
3. Partial Payment: The contractor and each subcontractor of any tier shall make prompt partial payments to its subcontractors within seven days of receipt of payment from the Department. Notwithstanding any provision of Arizona Revised Statutes Section 28-411, the parties may not agree otherwise.
4. Final Payment: The contractor and each subcontractor of any tier shall make prompt final payment to each of its subcontractors. The contractor and each subcontractor of any tier shall pay all monies, including retention, due to its subcontractor within seven days of receipt of payment. Notwithstanding any provision of Arizona Revised Statutes Section 28-411, the parties may not agree otherwise.
5. Payment Reporting: For the purposes of this subsection "Reportable Contracts" means any subcontract, of any tier, DBE or non-DBE, by which work shall be performed on behalf of the contractor and any contract of any

tier with a DBE material or service supplier.

The requirements of this subsection apply to all Reportable Contracts.

Payment Reporting for all Reportable Contracts shall be done through the Department's web-based DBE System. The DBE System can be accessed from the Department's BECO website. No later than fifteen calendar days after the Notice to Proceed is issued, the contractor shall log into the Department's web-based DBE System and enter or verify the name, contact information, and subcontract amounts for Reportable Contracts on the project. As Reportable Contracts are approved over the course of the contract, the contractor shall enter them in the system. Reportable contracts shall be entered into the system no later than five calendar days after approval by the Department.

The contractor shall report on a monthly basis indicating the amounts actually paid and the dates of each payment under any Reportable Contract on the project. In addition, the contractor shall require that all participants in any Reportable Contract electronically verify receipt of payment on the contract by the last day of the month and the contractor shall actively monitor the Department's DBE System to ensure that the verifications are input. The contractor shall proactively work to resolve any payment discrepancies in the DBE System between payment amounts it reports and payment confirmation amounts reported by others.

The contractor shall ensure that all Reportable Contract activity is reported to the Department. This includes all lower-tier Reportable Contracts, regardless of whether a DBE is involved or not.

The contractor shall maintain records for each payment explaining the amount requested by the subcontractor, and the amount actually paid pursuant to the request, which may include but are not limited to, estimates, invoices, pay requests, copies of checks or wire transfers, and lien waivers in support of the monthly payments in the DBE System.

The contractor shall provide information for payments made on all Reportable Contracts during the previous month by the 15th day of the current month. In the event that no payments were made during a given month, the contractor shall identify that by entering a dollar value of zero. If the contractor does not pay the full amount of any invoice from a subcontractor, the contractor shall note that and provide the reasons in the comment section of the Monthly Payment Audit of the DBE System.

For each Reportable Contract on which the contractor fails to submit timely payment information the Department will retain \$1,000.00 as liquidated damages, from the monies due to the contractor. Liquidated damages will be deducted each month for each Reportable Contract on which the contractor fails to submit payment information until the contractor provides the required information as described herein. After 90 consecutive days of non-reporting, the liquidated damages will increase to \$2,000.00 for each subsequent month, for each Reportable Contract on which the contractor fails to report until the information is provided. These liquidated damages

shall be in addition to all other retention or liquidated damages provided for elsewhere in the contract.

Payment reporting requirements apply to all contracts, federal and non-federal funded.

The contractor shall ensure that a copy of this Subsection is included in every Reportable Contract of every tier.

(a) Sanctions for Inadequate Reporting:

For each Reportable Contract on which the contractor fails to submit timely and complete payment information the Department will retain \$1,000.00 as liquidated damages, from the monies due to the contractor. Liquidated damages will be deducted each month for each Reportable Contract on which the contractor fails to submit payment information until the contractor provides the required information as described herein. After 90 consecutive days of non-reporting, the liquidated damages will increase to \$2,000.00 for each subsequent month, for each Reportable Contract on which the contractor fails to report until the information is provided. These liquidated damages shall be in addition to all other retention or liquidated damages provided for elsewhere in the contract.

6. Completion of Work: A subcontractor's work is satisfactorily completed when all the tasks called for in the subcontract have been accomplished, documented, and accepted by the Department.
7. Disputes: If disputes arise regarding payment of subcontractors, the contractor shall immediately provide the ADOT Project Manager with a written, verifiable explanation if:
  - The contractor does not pay the full amount of any invoice from a subcontractor within seven days of receipt of a progress payment from the Department, or
  - The monthly estimate does not include all work claimed by a subcontractor to have been performed.

The Department will determine whether the contractor has acted in good faith concerning any such explanations. The Department reserves the right to request and receive documents from the contractor and all subcontractors of any tier, in order to determine whether termination requirements were met. The contractor shall implement and use the dispute resolution process outlined in the subcontract, as described in Uniform Terms and Conditions Paragraph, to resolve payment disputes.

8. Non-Compliance: Failure to make prompt partial payment or prompt final payment including any retention, within the time frames established in this contract, will result in remedies, as the Department deems appropriate, which may include, but are not limited to:
  - Liquidated Damages: These liquidated damages shall be in addition to all other retention or liquidated damages provided for elsewhere in the

contract.

- (i) The Department will withhold two times the disputed dollar amount not paid to each subcontractor.
  - (ii) If full payment is made within 30 days of the Department's payment to the contractor, the amount withheld by the Department will be released.
  - (iii) If full payment is made after 30 days of the Department's payment to the contractor, the Department will release 75 percent of the funds withheld. The Department will retain 25 percent of the monies withheld as liquidated damages.
- Additional Remedies: If the contractor fails to make prompt payment for three consecutive months, or any four months over the course of one project, or if the contractor fails to make prompt payment on two or more contracts within 24 months, the Department may, in addition, invoke the following remedies:
    - (i) Withhold monthly progress payments until the issue is resolved and full payment has been made to all subcontractors and vendors subject to the requirements outlined under "Liquidated Damages" above,
    - (ii) Terminate the contract for default in accordance with this Contract, and/or
    - (iii) Suspension or Debarment per Uniform Terms and Conditions Paragraph 9.3 of the contractor from future bidding temporarily or permanently, depending on the number and severity of violation.
    - (iv) Reflect the contractor's performance in submitting payment reports and making subcontractor payments utilizing the Department's Vendor Performance Report.

**14.0 Crediting DBE Participation:**

**14.01 General Requirements:**

To count toward DBE participation, the DBE firms must be certified at the time of Offer submission in each NAICS code applicable to the kind of work the firm will perform on the contract. NAICS for each DBE can be found on the AZ UTRACS website. General descriptions of all NAICS codes can be found at <http://www.naics.com/search/>.

Credit is given only after the DBE has been paid for the work performed.

The entire amount of a contract that is performed by the DBE's own forces, including the cost of supplies and materials purchased by the DBE for the work on the contract and equipment leased by the DBE will be credited toward DBE participation. Supplies and equipment the DBE subcontractor purchases or leases from the prime contractor or its affiliate will not be credited toward DBE participation.

The contractor bears the responsibility to determine whether the DBE possesses the

proper contractor’s license(s) to perform the work and, if DBE credit is requested, that the DBE subcontractor is certified for the requested type of work.

The Department’s certification is not a representation of a DBE’s qualifications and/or abilities. The contractor bears all risks that the DBE may not be able to perform its work for any reason.

A DBE may participate as a prime contractor, subcontractor, or as a vendor of materials or supplies. The dollar amount of work to be accomplished by DBEs, including partial amount of a lump sum or other similar item, shall be on the basis of subcontract, purchase order, hourly rate, rate per ton, etc., as agreed to between parties.

DBE credit may be obtained only for specific work done for the project, supply of equipment specifically for physical work on the project, or supply of materials to be incorporated in the work. DBE credit will not be allowed for costs such as overhead items, capital expenditures (for example, purchase of equipment), and office items.

The contractor may credit second-tier subcontracts issued to DBEs by non-DBE subcontractors. Any second-tier subcontract to a DBE must meet the requirements of a first-tier DBE subcontract.

A prime contractor may credit the entire amount of that portion of a contract that is performed by the DBE’s own forces. The cost of supplies and materials obtained by the DBE for the work of the contract can be included so long as that cost is reasonable. Leased equipment may also be included. No credit is permitted for supplies purchased or equipment leased from the prime contractor or its affiliate(s).

When a DBE subcontracts a part of the work of its contract to another firm, the value of the subcontract may be credited towards DBE participation only if the DBE’s subcontractor is itself a DBE and performs the work with its own forces. Work that a DBE subcontracts to a non-DBE firm does not count toward DBE participation.

A prime contractor may credit the entire amount of fees or commissions charged by a DBE firm for providing a bona fide service, such as professional, technical, consulting, or managerial services, or for providing bonds or insurance specifically required for the performance of a USDOT-assisted contract, provided the fees are reasonable and not excessive as compared with fees customarily allowed for similar services.

**14.02 DBE Prime Contractor:**

When a certified DBE firm proposes on a contract/Task Assignment all the work that is performed by the DBE contractor or any other DBE subcontractors and DBE suppliers will count toward DBE participation.

**14.03 Effect of Loss of DBE Eligibility:**



For On-Call Task Assignment contracts, if a DBE is deemed ineligible (decertified) or suspended by ADOT or one of its UCP Partner Agencies in accordance with 49 CFR 26.87 and 26.88, the DBE may not be count toward DBE participation on a new Task Assignment, but may be considered for the contract/Task Assignment DBE participation if a subcontract or contract modification for the work to be completed on the Task Assignment was executed before the DBE suspension or decertification is effective.

A subcontract or contract modification for work on the task assignment means, any subcontract or agreement for the task assignment, which includes a specific ADOT TRACS/Project Number, defined scope, duration and budget for the work to be completed under the Task Assignment that is duly signed by the contractor/contractor and subcontractor/subcontractor.

When the contractor/contractor intends to use an ineligible DBE firm or ADOT made a commitment to use an ineligible DBE prime contractor/contractor, but a subcontract or Contract Modification for the work to be completed on the Task Assignment has not been executed before a decertification notice is issued to the DBE firm by its certifying agency, the ineligible firm does not count toward DBE participation. When a subcontract or contract modification is executed with the DBE firm for the work to be completed on the Task Assignment before ADOT notified the firm of its ineligibility, the DBE's work on the Task Assignment may continue to be credited toward DBE participation for the firm's work.

**14.04 Notifying the Contractor of DBE Certification Status:**

Each DBE contract at any tier shall require any DBE subcontractor or supplier that is either decertified or certified during the term of the contract to immediately notify the contractor and all parties to the DBE contract in writing, with the date of decertification or certification. The contractor shall require that this provision be incorporated in any contract of any tier in which a DBE is a participant.

**14.05 Commercially Useful Function:**

A prime contractor can credit expenditures to a DBE subcontractor only if the DBE performs a Commercially Useful Function (CUF).

A DBE performs a CUF when it is responsible for execution of the work of a contract and carries out its responsibilities by actually performing, managing, and supervising the work involved. To perform a commercially useful function, the DBE must also be responsible, with respect to materials and supplies on the contract, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable) and paying for the material itself that it uses on the project. To determine whether a DBE is performing a commercially useful function, the Department will evaluate the amount of work subcontracted, industry practices, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually

performing and the DBE credit claimed for its performance of the work, and other relevant factors.

A DBE will not be considered to perform a commercially useful function if its role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of DBE participation. In determining whether a DBE is such an extra participant, the Department will examine similar transactions, particularly those in which DBEs do not participate.

If a DBE does not perform or exercise responsibility for at least 30 percent of the total cost of its contract with its own work force, or if the DBE subcontracts a greater portion of the work of a contract than would be expected on the basis of normal industry practice for the type of work involved, the Department will presume that the DBE is not performing a commercially useful function.

When a DBE is presumed not to be performing a commercially useful function as provided above, the DBE may present evidence to rebut this presumption. The Department will determine if the firm is performing a CUF given the type of work involved and normal industry practices.

The Department will notify the contractor, in writing, if it determines that the contractor's DBE subcontractor is not performing a CUF. The contractor will be notified within seven calendar days of the Department's decision.

Decisions on CUF may be appealed to the Chief Procurement Officer (CPO). The appeal must be in writing and personally delivered or sent by certified mail, return receipt requested, to the CPO. The appeal must be received by the CPO no later than seven calendar days after the decision of BECO. BECO's decision remains in place unless and until the CPO reverses or modifies BECO's decision. CPO will promptly consider any appeals under this subsection and notify the contractor of CPO's findings and decisions. Decisions on CUF matters are not administratively appealable to USDOT.

The BECO may conduct project site visits on the contract to confirm that DBEs are performing a CUF. The contractor shall cooperate during the site visits and the BECO's staff will make every effort not to disrupt work on the project.

**15.0 Required Provisions for DBE Subcontracts:**

All subcontracts of any tier, all supply contracts, and any other contracts in which a DBE is a participant shall include as a physical attachment, DBE Subcontractor Compliance Assurances refer to the Federal Attachments and Exhibits.

Contractors executing agreements with subcontractors, DBE or non-DBE, that materially modify federal regulation and state statutes such as, prompt payment and retention requirements, through subcontract terms and conditions will be found in breach of contract which may result in termination of the contract, or any other such

remedy as the deemed appropriate as outlined in DBE Subsection 2.0 of these DBE provisions.

The Department reserves the right to conduct random reviews of DBE and non-DBE subcontract documentation to ensure compliance with federal requirements.

The contractor shall ensure that all subcontracts or agreements with DBEs to supply labor or materials require that the subcontract and all lower tier subcontracts be performed in accordance with 49 CFR Part 26 provisions.

The Contractor shall provide electronic copies of subcontract agreements with all Subcontractors by uploading them within 15 calendar days of an executed contract to the ADOT DBE System. Subcontract agreements shall include all required assurances and clauses as outlined in DBE Subcontractor Compliance Assurances refer to the Federal Attachments and Exhibits of the Contract. Each agreement and required attachment shall be dated and signed by the Subcontractor in order for the subcontract to be considered valid.

The Contractor shall be in breach of this Contract if the Contractor materially modifies the federal regulations and State statutes in its subcontract agreements terms and conditions with its Subcontractors. Deviations from the terms of this Contract may result in termination of the Contract, or any other such remedy as deemed appropriate by the Department

**16.0 Certification of Final DBE Payments:**

DBE participation on the contract is measured by actual payments made to the DBEs. The contractor shall submit the "Certification of Final DBE Payments" form for each DBE firm working on the contract. This form shall be signed by the contractor and the relevant DBE, and submitted to the Engineer no later than 30 days after the DBE completes its work.

The contractor will not be released from the obligations of the contract until the "Certification of Final DBE Payments" forms are received and deemed acceptable by the Engineer and BECO.

**17.0 False, Fraudulent, or Dishonest Conduct:**

In addition to any other remedies or actions, the Department will bring to the attention of the US Department of Transportation any appearance of false, fraudulent, or dishonest conduct in connection with the DBE program, so that USDOT can take steps such as referral to the Department of Justice for criminal prosecution, referral to the USDOT Inspector General for possible initiation of suspension and debarment proceedings against the offending parties or application of "Program Fraud and Civil Penalties" rules provided in 49 CFR Part 31.

**21. NONDISCRIMINATION**

1. During the performance of this Contract, the Consultant, for itself, its Subconsultants, assignees and successors shall:

a. Not discriminate on the basis of race, color, national origin, or sex and shall carry out applicable requirements of 49 CFR Part 26 in the performance of this Contract. Failure by the Consultant to carry out these requirements is a material breach of this Contract, which may result in the termination of this Contract, disqualification from proposing on other Contracts or other remedy as the State deems appropriate.

b. Comply with Executive Order 2009-09, "Prohibition of Discrimination in Employment by Government Contractors and Subcontractors," which is hereby included in its entirety by reference and considered a part of this Contract.

c. Comply with the provisions of Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor Regulations (41 CFR Part 60). Said provisions are made applicable by reference and are hereinafter considered a part of this Contract.

d. Post in conspicuous places available to employees and applicants for employment, the following notice:

***"It is the policy of this company not to discriminate against any employee, or applicant for employment, because of race, color, religion, creed, national origin, sex, age, handicapped, or disabled veterans and Vietnam era veterans. Such actions shall include, but are not limited to: employment, upgrading, demotion, transfer, recruitment, or recruitment advertising; laying-off or termination; rates of pay or other compensation; and selection for training, and on-the- job training. Also, it is the policy to ensure and maintain a working environment free of harassment, intimidation and coercion."***

e. Comply with the Regulations relative to nondiscrimination in Federally-assisted programs of the U.S. Department of Transportation (hereinafter USDOT), 49 CFR Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this Contract.

f. Not discriminate on the grounds of race, color, sex, or national origin in the selection and retention of Subconsultants, including procurement of materials and leases of equipment. The Consultant shall not participate either directly or

indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices.

- g. In all solicitations either by competitive bidding or negotiations made by the Consultant for work to be performed under a subcontract, including procurement of materials or leases of equipment, notify each potential Subconsultant or supplier of the Consultant's obligations under this Contract and the Regulations relative to nondiscrimination on the ground of race, color, or national origin.
  - h. Provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the State to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a Consultant is in the exclusive possession of another who fails or refuses to furnish this information, the Consultant shall so certify to the State as appropriate, and shall set forth what efforts it has made to obtain the information.
2. In the event of the Consultant's noncompliance with the NONDISCRIMINATION provision (Section A) of this Contract, the State shall impose such Contract sanctions as the State or FHWA may determine to be appropriate, including but not limited to:
- a. Withholding of payments to the Consultant under the Contract until the Consultant complies,
- and/or;
- b. Cancellation, termination, or suspension of the Contract, in whole or in part.
3. The Consultant shall include the provisions of paragraph 1.a. through 1.h. in every subcontract with Subconsultants, DBEs and non-DBEs, including procurement of materials and equipment leases, unless exempt by the Regulations or directives issued pursuant thereto.
4. The Consultant shall take such action with respect to any Subconsultants or procurement as the State or the Federal Aviation Administration (FAA), FHWA and the Federal Transit Administration (FTA) may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event the Consultant becomes involved in or is threatened with litigation with a Subconsultant or supplier as a result of such direction, the Consultant may request the State to enter into such litigation to protect the interests of the State, and in addition, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.

**22. AFFIRMATIVE ACTION**

Contractor shall take the following affirmative action steps with respect to securing supplies, equipment, or services under the terms of this contract:

- a. Include qualified firms owned by socially and economically disadvantaged individuals on solicitation lists.
- b. Assure that firms owned by socially and economically disadvantaged individuals are solicited whenever they are potential sources.
- c. When economically feasible, divide total requirements into smaller tasks or quantities so as to permit maximum participation by firms owned by socially and economically disadvantaged individuals.
- d. Where the requirement permits, establish delivery schedules which will encourage participation by firms owned by socially and economically disadvantaged individuals.
- e. Use the services and assistance of the Small Business Administration, the Office of Minority Business Enterprise of the Department of Commerce, and the Community Services Administration, as required.

**23. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT**

The following clauses apply to any Federal-aid contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by 29 CFR 5.5(a) or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

**Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

**Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph (1.) of this section, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed

with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1.) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1.) of this section.

**Withholding for unpaid wages and liquidated damages.** The FHWA or the contacting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2.) of this section.

**Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1.) through (4.) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1.) through (4.) of this section.

#### **24. FEDERAL CHANGES**

The Contactor and its sub-contractors shall comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between the Department and FTA, as they be amended or promulgated from time to time during the term of the contract. Contractor's failure to comply shall constitute a material breach of the contract.

#### **25. PROMPT PAY**

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contract receives from the Recipient. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractors work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Recipient. This clause applies to both DBE and non-DBE subcontracts.

#### **26. FULL AND OPEN COMPETITION**

In accordance with 49 U.S.C. § 5325(h) all procurement transactions shall be

conducted in a manner that provides full and open competition.

**27. PROHIBITION AGAINST EXCLUSIONARY OR DISCRIMINATORY SPECIFICATIONS**

Apart from inconsistent requirements imposed by Federal statute or regulations, the contractor shall comply with the requirements of 49 USC 5323(h)(2) by refraining from using any FTA assistance to support procurements using exclusionary or discriminatory specifications.

**28. CONFORMANCE WITH ITS NATIONAL ARCHITECTURE**

Contractor shall conform, to the extent applicable, to the National Intelligent Transportation Standards architecture as required by SAFETEA-LU Section 5307(c), 23 U.S.C. Section 512 note and follow the provisions of FTA Notice, "FTA National Architecture Policy on Transit Projects," 66 Fed. Reg.1455 et seq., January 8, 2001, and any other implementing directives FTA may issue at a later date, except to the extent FTA determines otherwise in writing.

**29. ACCESS REQUIREMENTS FOR PERSONS WITH DISABILITIES**

Contractor shall comply with 49 USC 5301(d), stating Federal policy that the elderly and persons with disabilities have the same rights as other persons to use mass transportation services and facilities and that special efforts shall be made in planning and designing those services and facilities to implement that policy.

Contractor shall also comply with all applicable requirements of Sec. 504 of the Rehabilitation Act (1973), as amended, 29 USC 794, which prohibits discrimination on the basis of handicaps, and the Americans with Disabilities Act of 1990 (ADA), as amended, 42 USC 12101 et seq., which requires that accessible facilities and services be made available to persons with disabilities, including any subsequent amendments thereto.

**30. NOTIFICATION OF FEDERAL PARTICIPATION**

To the extent required by law, in the announcement of any third party contract award for goods and services (including construction services) having an aggregate value of \$500,000 or more, contractor shall specify the amount of Federal assistance to be used in financing that acquisition of goods and services and to express that amount of Federal assistance as a percentage of the total cost of the third party contract.

**31. INTEREST OF MEMBERS OR DELEGATES TO CONGRESS**

No members of, or delegates to, the US Congress shall be admitted to any share or part of this contract nor to any benefit arising therefrom.



### 32. INELIGIBLE CONTRACTORS AND SUBCONTRACTORS

Any name appearing upon the Comptroller General’s list of ineligible contractors for federally-assisted contracts shall be ineligible to act as a subcontractor for contractor pursuant to this contract. If contractor is on the Comptroller General’s list of ineligible contractors (<https://www.sam.gov/SAM/>) for federally financed or assisted construction, the recipient shall cancel, terminate or suspend this contract.

### 33. OTHER CONTRACT REQUIREMENTS

To the extent not inconsistent with the foregoing Federal requirements, this contract shall also include those standard clauses attached hereto, and shall comply with the recipient’s Procurement Guidelines, available upon request from the Department.

### 34. COMPLIANCE WITH FEDERAL REGULATIONS

Any contract entered pursuant to this solicitation shall contain the following provisions: All USDOT- required contractual provisions, as set forth in FTA Circular 4220, are incorporated by reference. Anything to the contrary herein notwithstanding, FTA mandated terms shall control in the event of a conflict with other provisions contained in this Agreement. Contractor shall not perform any act, fail to perform any act, or refuse to comply with any grantee request that would cause the recipient to be in violation of FTA terms and conditions. Contractor shall comply with all applicable FTA regulations, policies, procedures and directives, including, without limitation, those listed directly or incorporated by reference in the Master Agreement between the recipient and FTA, as may be amended or promulgated from time to time during the term of this contract. Contractor’s failure to so comply shall constitute a material breach of this contract.

### 35. REAL PROPERTY

Any contract entered into shall contain the following provisions: Contractor shall at all times comply with all applicable statutes and USDOT regulations, policies, procedures and directives governing the acquisition, use and disposal of real property, including, but not limited to, 49 CFR 18.31-18.34, 49 CFR 19.30-19.37, 49 CFR Part 24, 49 CFR 5326 as amended by Map-21, 49 CFR part 18 or 19, 49 USC 5334, applicable FTA Circular 5010, and FTA Master Agreement, as they may be amended or promulgated during the term of this contract. Contractor’s failure to so comply shall constitute a material breach of this contract.

### 36. ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY

To the extent applicable and except to the extent that FTA determines otherwise in writing, the Recipient agrees to comply with the policies of Executive Order No. 13166, "Improving Access to Services for Persons with Limited English Proficiency," 42 U.S.C. § 2000d 1 note, and with the provisions of U.S. DOT Notice, "DOT Guidance to Recipients on Special Language Services to Limited English Proficient (LEP)

Beneficiaries,” 70 Fed. Reg. 74087, December 14, 2005.

**37. ENVIRONMENTAL JUSTICE**

Except as the Federal Government determines otherwise in writing, the Recipient agrees to promote environmental justice by following: (1) Executive Order No. 12898, “Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations,” February 11, 1994, 42

U.S.C. § 4321 note, as well as facilitating compliance with that Executive Order, and (2) DOT Order 5610.2, “Department of Transportation Actions To Address Environmental Justice in Minority Populations and Low-Income Populations,” 62 Fed. Reg. 18377, April 15, 1997, and (3) The most recent and applicable edition of FTA Circular 4703.1, “Environmental Justice Policy Guidance for Federal Transit Administration Recipients,” August 15, 2012, to the extent consistent with applicable Federal laws, regulations, and guidance,

**38. ENVIRONMENTAL PROTECTIONS**

Compliance is required with any applicable Federal laws imposing environmental and resource conservation requirements for the project. Some, but not all, of the major Federal laws that may affect the project include: the National Environmental Policy Act of 1969; the Clean Air Act; the Resource Conservation and Recovery Act; the comprehensive Environmental response, Compensation and Liability Act; as well as environmental provisions with Title 23 U.S.C., and 49 U.C. chapter 53. The U.S. EPA, FHWA and other federal agencies may issue other federal regulations and directives that may affect the project. Compliance is required with any applicable Federal laws and regulations in effect now or that become effective in the future.

**39. GEORGRAPHIC INFORMATION RELATED TO SPATIAL DATA**

Any project activities involving spatial data or geographic information systems activities financed with Federal assistance are required to be consistent with the National Spatial Data Infrastructure promulgated by the Federal Geographic Data Committee, except to the extent that FTA determines otherwise in writing.

**40. GEOGRAPHIC PREFERENCE**

Pursuant to 2 CFR 200.319(b), all procurements must be conducted in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract).

**41. ORGANIZATIONAL CONFLICTS OF INTEREST**

The Recipient agrees that it will not enter into a procurement that involves a real or apparent organizational conflict of interest described as follows:

- (1) When It Occurs. An organizational conflict of interest occurs when the Project work, without appropriate restrictions on certain future activities, results in an unfair competitive advantage:
  - (a) To that Third Party Participant or another Third Party Participant performing the Project work, and
  - (b) That impairs that Third Party Participant's objectivity in performing the Project work, or
- (2) Other. An organizational conflict of interest may involve other situations resulting in fundamentally unfair competitive conditions,
- (3) Disclosure Requirements. Consistent with FTA policies, the Recipient must disclose to FTA, and each of its Subrecipients must disclose to the Recipient:
  - (a) Any instances of organizational conflict of interest, or
  - (b) Violations of federal criminal law, involving fraud, bribery, or gratuity violations potentially affecting the federal award, and
- (4) Failure to Disclose. Failure to make required disclosures can result in remedies for noncompliance, including debarment or suspension.

**42. VETERANS PREFERENCE**

As provided by 49 U.S.C. § 5325(k), to the extent practicable, the Recipient agrees and assures that each of its Subrecipients:

- (1) Will give a hiring preference to veterans, as defined in 5 U.S.C. § 2108, who have the skills and abilities required to perform construction work required under a third party contract in connection with a Capital Project supported with federal assistance appropriated or made available for 49 U.S.C. chapter 53, and
- (2) Will not require an employer to give a preference to any veteran over any equally qualified applicant who is a member of any racial or ethnic minority, female, an individual with a disability, or a former employee.

**43. CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) IDENTIFICATION NUMBER**

The municipal project sponsor is required to identify in its accounts all Federal awards received and expended, and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the Federal agency, and name of the pass-through entity.

**44. AMERICANS WITH DISABILITIES ACT (ADA)**

The contractor agrees to comply with the requirements of 49 U.S.C. § 5301 (d), which states the Federal policy that the elderly and persons with disabilities have the same right as other persons to use mass transportation service and facilities, and that special efforts shall be made in planning and designing those services and facilities to implement that policy. The contractor also agrees to comply with all applicable requirements of section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, which prohibits discrimination on the basis of handicaps, with the Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. §§ 12101 et seq., which requires that accessible facilities and services be made available to persons with disabilities, including any subsequent amendments to that Act, and with the Architectural Barriers act of 1968, as amended, 42 U.S.C. §§ 4151 et seq., which requires that buildings and public accommodations be accessible to persons with disabilities, including any subsequent amendments to that Act. In addition, the contractor agrees to comply with any and all applicable requirements issued by the FTA, DOT, DOJ, U.S. GSA, U.S. EEOC, U.S. FCC, any subsequent amendments thereto and any other nondiscrimination statute(s) that may apply to the Project.

**45. BYRD ANTI-LOBBYING AMENDMENT**

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with nonfederal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the Agency.”

**46. NO GOVERNMENT OBLIGATION TO THIRD PARTIES**

The Agency and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying Contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to the Agency, Contractor or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying Contract. The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by the FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

**44. BUS TESTING**

The operator of the bust testing facility is required to provide the resulting test report to the entity that submits the bus for testing. The manufacturer or dealer of a new bus

model or a bus produced with a major change in component or configuration is required to provide a copy of the corresponding full bus testing report and any applicable partial testing report(s) to the Agency during the point in the procurement process specified by the Agency, but in all cases before final acceptance of the first bus by the Agency. The complete bus testing report requirements are provide in 49 C.F.R. § 665.11.

**45. CARGO PREFERENCE REQUIREMENTS**

The contractor agrees:

- a. to use privately owned United States-Flag commercial vessels to ship at least 50 percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers) involved, whenever shipping any equipment, material, or commodities pursuant to the underlying contract to the extent such vessels are available at fair and reasonable rates for United States-Flag commercial vessels;
- b. to furnish within 20 working days following the date of loading for shipments originating within the United States or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, "onboard" commercial ocean bill-of-lading in English for each shipment of cargo described in the preceding paragraph to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590 and to the FTA Recipient (through the contractor in the case of a subcontractor's bill-of-lading.); and
- c. to include these requirements in all subcontracts issued pursuant to this contract when the subcontract may involve the transport of equipment, material, or commodities by ocean vessel.

**46. E-AWARD AND POST-DELIVERY AUDITS OF ROLLING STOCK PURCHASES**

The Contractor agrees to comply with 49 U.S.C. § 5323(m) and FTA's implementing regulation at 49 C.F.R. part 663. The Contractor shall comply with the Buy America certification(s) submitted with its proposal/bid. The Contractor agrees to participate and cooperate in any pre-award and post-delivery audits performed pursuant to 49 C.F.R. part 663 and related FTA guidance.

**EXHIBIT 1**  
**Title VI/Non-Discrimination Assurances**  
**Appendix A**

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During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

- 1. Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, the *Federal Highway Administration*, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
- 2. Non-discrimination:** The contractor, with regard to the work performance by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.
- 3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
- 4. Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the *Federal Highway Administration* to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the *Federal Highway Administration*, as appropriate, and will set forth what efforts it has made to obtain the information.
- 5. Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the *Federal Highway Administration* ,may determine to be appropriate, including, but not limited to:
  - a. withholding payments to the contractor under the contract until the contractor complies; and/or
  - b. cancelling, terminating, or suspending a contract, in whole or in part.
- 6. Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with request to any subcontract or procurement as the Recipient or the *Federal Highway Administration* may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that **if** the contractor becomes involved in, or is threatened with litigation by a subcontractor or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

**EXHIBIT 2**  
**Title VI/Non-Discrimination Assurances**  
**Appendix E**

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During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

**Pertinent Non-Discrimination Authorities:**

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 *et seq.*), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1687 *et seq.*).





**EXHIBIT 4**  
**ON-SITE MANUFACTURER INSPECTION**  
**COMPLIANCE CERTIFICATION**

(Post-Delivery purchaser's requirement, in compliance with the federal requirements of 49 U.S.C. Section 5323(m))

**ON-SITE MANUFACTURER INSPECTION COMPLIANCE CERTIFICATION**

**(Rolling Stock Procurements for more than 10 vehicles for areas >200,000 in population)**

As required by 49 CFR Part 663Subpart C, the

\_\_\_\_\_ (Recipient's name)

Certifies that a resident inspector,

\_\_\_\_\_ (Name of inspector)

Was at

\_\_\_\_\_ (the manufacturer's)

manufacturing site during the period of manufacture of the buses,

\_\_\_\_\_ (description of buses).

The inspector visually inspecting the buses, the \_\_\_\_\_ (the recipient) has reviewed the inspection documentation, maintains a copy of this report, and certifies that the buses meet the contract specifications.

**ON-SITE MANUFACTURER INSPECTION COMPLIANCE CERTIFICATION**

**(Rolling Stock Procurements for more than 20 vehicles for areas < 200,000 in population)**

As required by 49 CFR Part 663 Subpart C, the

\_\_\_\_\_ (Recipient's name)

Certifies that a resident inspector,

\_\_\_\_\_ (Name of inspector)

Was at

\_\_\_\_\_ (the manufacturer's)

manufacturing site during the period of manufacture of the buses,

\_\_\_\_\_ (description of buses).

The inspector visually inspecting the buses, the \_\_\_\_\_ (the recipient) has reviewed the inspection documentation, maintains a copy of this report, and certifies that the buses meet the contract specifications.

Signature \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

Title \_\_\_\_\_

## EXHIBIT 5 PRE-AWARD AUDIT AND CERTIFICATION

Subrecipient		Date / Completed By
Description		
Program/Phase/Amounts		
<b>PRE-AWARD AUDIT (before issuing purchase order)</b>		
Pre-award audit requirements. A recipient purchasing revenue service rolling stock with FTA funds must ensure that a pre-award audit under this part is complete before the recipient enters into a formal contract for the purchase of such rolling stock.		Master Agreement; 49 CFR §663.21
49 CFR 661.13 Grantee Responsibility (a) The grantee shall adhere to the Buy America clause set forth in its grant contract with FTA Section 16. Preference for United States Products and Services. a. Buy America. Domestic preference procurement requirements of: (1) 49 U.S.C. § 5323(j), as amended by FAST Act, and (2) FTA regulations, "Buy America Requirements," 49 C.F.R. part 661, to the extent consistent with FAST Act,		49 CFR §663.13
49 CFR §663.23 Description of pre-award audit. A pre-award audit under this part includes— (a) A Buy America certification as described in §663.25 of this part; (b) A purchaser's requirements certification as described in §663.27 of this part; and (c) Where appropriate, a manufacturer's Federal Motor Vehicle Safety certification information as described in §663.41 or §663.43 of this part.		49 CFR §663.23
Met? Y/N (if NO 1b, 1 REQ'D)	(1) A Buy America certification:  a) There is a letter from FTA which grants a waive OR	49 CFR §663.25
Met? Y/N (if NO 1a, 2 REQ'D)	b) ADOT reviewed documentation provided by the manufacturer which lists— 1) Component and subcomponent parts of the rolling stock to be purchased identified by manufacturer of the parts, their country of origin and costs; and 2) The location of the final assembly point for the rolling stock, including a description of the activities that will take place at the final assembly point and the cost of final assembly.	
Met? Y/N (2 REQ'D)	(2) A purchaser's requirements certification:  a) The rolling stock the recipient is contracting for is the same product described in the purchaser's solicitation specification; and b) The proposed manufacturer is a responsible manufacturer with the capability to produce a vehicle that meets the recipient's	
Met? Y/N (1 REQ'D)	(3) A manufacturer's Federal Motor Vehicle Safety certification or Certification that Federal motor vehicle standards do not apply.  a) If a vehicle purchased under this part is subject to the Federal Motor Vehicle Safety Standards issued by the National Highway Traffic Safety Administration in part 571 of this title, a recipient shall keep on file its certification that it received, both at the pre-award and post-delivery stage, a copy of the manufacturer's self-certification information that the vehicle complies with relevant Federal Motor Vehicle Safety Standards.	49 CFR §663.41
	a) Except for rolling stock subject to paragraph (b) of this section, if a vehicle purchased under this part is not subject to the Federal Motor Vehicle Safety Standards issued by the National Highway Traffic Safety Administration in part 571 of this title, the recipient shall keep on file its certification that it received a statement to that effect from the manufacturer.	49 CFR §663.43

## EXHIBIT 6 PURCHASER'S PRE-AWARD REQUIREMENTS CERTIFICATION

Subrecipient	
Description	
Program/Phase/Amount s	
<b>Purchaser's Pre-Award Requirements Certification</b> <b>49 CFR §663.27</b>	
<p>I hereby certify that the rolling stock the recipient is contracting for is the same product described in the purchaser's solicitation specification; and</p>	
<p>I hereby certify that the proposed manufacturer is a responsible manufacturer with the capability to produce a vehicle that meets the recipient's</p>	
	Signature
	Date Signed

## EXHIBIT 7 PURCHASER'S POST-AWARD REQUIREMENTS CERTIFICATION

Subrecipient		Date / Completed By
Description Program/Phase/A mounts		
<a href="http://www.fta.dot.gov/legislation_law/12921_5430.html">The Post-Delivery Review Requirements (http://www.fta.dot.gov/legislation_law/12921_5430.html)</a>		
<b>The Post-Delivery Buy America Certification Requirement</b>		
Select basis* (1 REQ'D)	Buy America-Compliant Buses	49 CFR 663(b)
	§663.33 Description of post-delivery audit. A post-delivery audit under this part includes—	
(a) A post-delivery Buy America certification as described in §663.35 of this part;		
§663.35 Post-delivery Buy America certification. For purposes of this part, a post-delivery Buy America certification is a certification that the recipient keeps on file that—		
(a) There is a letter from FTA which grants a waiver to the rolling stock received from the Buy America requirements under sections 165 (b)(1), or (b)(4) of the Surface Transportation Assistance Act of 1982, as amended; or		
(b) The recipient is satisfied that the rolling stock received meets the requirements of section 165 (a) or (b)(3) of the Surface Transportation Assistance Act of 1982, as amended, after having reviewed itself or by means of an audit prepared by someone other than the manufacturer or its agent documentation provided by the manufacturer which lists—		
(1) Components and subcomponent parts of the rolling stock identified by manufacturer of the parts, their country of origin and costs; and		
(2) The actual location of the final assembly point for the rolling stock including a description of the activities which took place at the final assembly point and the cost of the final assembly.		
(b) A post-delivery purchaser's requirements certification as described in §663.37 of this part; and		
Met? Y/N (3 REQ'D)	§663.37 Post-delivery purchaser's requirements certification. For purposes of this part, a post-delivery purchaser's requirements certification is a certification that the recipient keeps on file that—	
	(a) Except for procurements covered under paragraph (c) in this section, a resident inspector (other than an agent or employee of the manufacturer) was at the manufacturing site throughout the period of manufacture of the rolling stock to be purchased and monitored and completed a report on the manufacture of such rolling stock. Such a report, at a minimum, shall—	
	(1) Provide accurate records of all vehicle construction activities; and	
	(2) Address how the construction and operation of the vehicles fulfills the contract specifications.	
	(b) After reviewing the report required under paragraph (a) of this section, and visually inspecting and road testing the delivered vehicles, the vehicles meet the contract specifications.	
	(c) For procurements of:	
	(1) Ten or fewer buses; or	
	(2) Procurements of twenty vehicles or fewer serving rural (other than urbanized) areas, or urbanized areas of 200,000 people or fewer; or	
	(3) Any number of primary manufacturer standard production and unmodified vans, after visually inspecting and road testing the vehicles, the vehicles meet the contract specifications.	
Met? Y/N (1 REQ'D)	(c) When appropriate, a manufacturer's Federal Motor Vehicle Safety Standard self-certification information as described in §663.41 or §663.43 of this part.	
	§663.41 Certification of compliance with Federal motor vehicle safety standards. If a vehicle purchased under this part is subject to the Federal Motor Vehicle Safety Standards issued by the National Highway Traffic Safety Administration in part 571 of this title, a recipient shall keep on file its certification that it received, both at the pre-award and post-delivery stage, a copy of the manufacturer's self-certification information that the vehicle complies with relevant Federal Motor Vehicle Safety Standards.	
	§663.43 Certification that Federal motor vehicle standards do not apply. (a) Except for rolling stock subject to paragraph (b) of this section, if a vehicle purchased under this part is not subject to the Federal Motor Vehicle Safety Standards issued by the National Highway Traffic Safety Administration in part 571 of this title, the recipient shall keep on file its certification that it received a statement to that effect from the manufacturer. (b) This subpart shall not apply to rolling stock that is not a motor vehicle.	

## EXHIBIT 7 PURCHASER'S POST-AWARD REQUIREMENTS CERTIFICATION

Subrecipient		Date / Completed By
Description		
Program/Phase/Amounts		
<a href="http://www.fta.dot.gov/legislation_law/12921_5430.html">The Post-Delivery Review Requirements (http://www.fta.dot.gov/legislation_law/12921_5430.html)</a>		
<b>The Post-Delivery Buy America Certification Requirement</b>		
Select basis' (1 REQ'D)	Buy America-Compliant Buses	49 CFR 663(b)
	§663.33 Description of post-delivery audit. A post-delivery audit under this part includes— (a) A post-delivery Buy America certification as described in §663.35 of this part; §663.35 Post-delivery Buy America certification. For purposes of this part, a post-delivery Buy America certification is a certification that the recipient keeps on file that— (a) There is a letter from FTA which grants a waiver to the rolling stock received from the Buy America requirements under sections 165 (b)(1), or (b)(4) of the Surface Transportation Assistance Act of 1982, as amended; or (b) The recipient is satisfied that the rolling stock received meets the requirements of section 165 (a) or (b)(3) of the Surface Transportation Assistance Act of 1982, as amended, after having reviewed itself or by means of an audit prepared by someone other than the manufacturer or its agent documentation provided by the manufacturer which lists— (1) Components and subcomponent parts of the rolling stock identified by manufacturer of the parts, their country of origin and costs; and (2) The actual location of the final assembly point for the rolling stock including a description of the activities which took place at the final assembly point and the cost of the final assembly.	
Met?/N (3 REQ'D)	(b) A post-delivery purchaser's requirements certification as described in §663.37 of this part; and §663.37 Post-delivery purchaser's requirements certification. For purposes of this part, a post-delivery purchaser's requirements certification is a certification that the recipient keeps on file that— (a) Except for procurements covered under paragraph (c) in this section, a resident inspector (other than an agent or employee of the manufacturer) was at the manufacturing site throughout the period of manufacture of the rolling stock to be purchased and monitored and completed a report on the manufacture of such rolling stock. Such a report, at a minimum, shall— (1) Provide accurate records of all vehicle construction activities; and (2) Address how the construction and operation of the vehicles fulfills the contract specifications. (b) After reviewing the report required under paragraph (a) of this section, and visually inspecting and road testing the delivered vehicles, the vehicles meet the contract specifications. (c) For procurements of: (1) Ten or fewer buses; or (2) Procurements of twenty vehicles or fewer serving rural (other than urbanized) areas, or urbanized areas of 200,000 people or fewer; or (3) Any number of primary manufacturer standard production and unmodified vans, after visually inspecting and road testing the vehicles, the vehicles meet the contract specifications.	
Met?/N (1 REQ'D)	(c) When appropriate, a manufacturer's Federal Motor Vehicle Safety Standard self-certification information as described in §663.41 or §663.43 of this part. §663.41 Certification of compliance with Federal motor vehicle safety standards. If a vehicle purchased under this part is subject to the Federal Motor Vehicle Safety Standards issued by the National Highway Traffic Safety Administration in part 571 of this title, a recipient shall keep on file its certification that it received, both at the pre-award and post-delivery stage, a copy of the manufacturer's self-certification information that the vehicle complies with relevant Federal Motor Vehicle Safety Standards. §663.43 Certification that Federal motor vehicle standards do not apply. (a) Except for rolling stock subject to paragraph (b) of this section, if a vehicle purchased under this part is not subject to the Federal Motor Vehicle Safety Standards issued by the National Highway Traffic Safety Administration in part 571 of this title, the recipient shall keep on file its certification that it received a statement to that effect from the manufacturer. (b) This subpart shall not apply to rolling stock that is not a motor vehicle.	

## EXHIBIT 8 PURCHASER'S POST-AWARD REQUIREMENTS CERTIFICATION

Subrecipient	
Description	
Program/Phase/Amount s	
<b>Purchaser's Post-Award Requirements Certification</b> <b>49 CFR §663.37</b>	
<p>I hereby certify that the rolling stock the recipient is contracting for is the same product described in the purchaser's solicitation specification; and</p>	
<p>I hereby certify that the proposed manufacturer is a responsible manufacturer with the capability to produce a vehicle that meets the recipient's</p>	
	Signature
	Date Signed



ARIZONA DEPARTMENT OF TRANSPORTATION  
1739 W. Jackson Street, MD 100P  
Phoenix, AZ 85007  
602.712.7211

## Solicitation Amendment Summary

<b>SOLICITATION NO.:</b> BPM004157	<b>AMENDMENT NO.:</b> One (1)
<b>DESCRIPTION:</b> New Vehicles Purchase	

Pursuant to the Uniform Instructions to Offerors, Item B.6, Solicitation Amendments, the above referenced solicitation shall be amended as follows:

1. The solicitation due date has been changed from January 17, 2022 at 3:00 PM MST to January 19, 2022 at 3:00 PM MST.
2. All other terms, conditions and provisions of this solicitation remain unchanged.

## Solicitation Amendment Summary

<b>SOLICITATION NO.: BPM004157</b>	<b>AMENDMENT NO.: Two (2)</b>
<b>DESCRIPTION: New Vehicles Purchases</b>	

Pursuant to the Uniform Instructions to Offerors, Item B.6, Solicitation Amendments, the above referenced solicitation shall be amended as follows:

### 1. Specifications

The following sections are hereby modified to read:

- a. **Paragraph 2.1** “The State of Arizona Department of Transportation (Department) is seeking to contract with a qualified vendor(s) who can provide new vehicles (all fuel types, hybrid, and full electric) including but not limited to: Sedans, Trucks up to 19,500 GVWR, Vans, Sport Utility Vehicles (SUVs), and Crossovers for the State of Arizona and participating Eligible Agencies. These vehicles will be used to support official organizational goals. These vehicles will be used on highways, city/county roads and shall be designed to operate under typical Arizona ambient temperatures.”
- b. **Paragraph 3.3.1, 3.5.1 and 3.5.2** is hereby removed.
- c. **Paragraph 4.1:** “The Contractors are encouraged to provide a full line of new vehicles (gasoline, hybrid, full electric) including but not limited to the following categories: Sedans, Trucks up to 19,500 GVWR, Vans (cargo, passenger, transit, etc.), Sport Utility Vehicles (SUVs), and Crossovers. Eligible Agencies throughout the State will have varying vehicle needs. Contractors are to provide a full line of manufactured new vehicles and all subsequent variants of each vehicle; including but not be limited to: models and manufacturer options, trim package, etc. to meet each need of an Eligible Agency.”
- d. **Paragraph 4.1.1** is hereby removed.
- e. **Paragraph 4.4.1:** “The Eligible Agency may request the awarded Contractor(s) to up-fit/modify any vehicle for specific organizational needs. For example, the cab and chassis of ½ ton, ¾ ton, and/or up to 19,500 GVW trucks may require a specialized body (i.e.: dump body, landscape body, etc.). Other vehicles may require interior and/or exterior modifications per the individual Eligible Agency. “
- f. **Paragraph 4.6.1:** “ Anti-slip differential for two-wheel drive pickup trucks, ¾ ton, up to 19,500 GVW.”

### 2. Special Terms and Conditions

The following sections are hereby modified to read:

- a. **Paragraph 11.1, (a-g):** “Phase 1 and 2 pricing for vehicles shall be a minimum Percentage off MSRP, less the manufacturer’s rebates and any additional discounts available for that model/power-train combination.
  - a. Contractor shall provide a copy of manufacturer’s invoice to the ordering agency upon request. The manufacturer’s invoice shall be unaltered to include original pricing from the manufacturer.



## Solicitation Amendment Summary

<b>SOLICITATION NO.:</b> BPM004157	<b>AMENDMENT NO.:</b> Three (3)
<b>DESCRIPTION:</b> New Vehicles Purchases	

Pursuant to the Uniform Instructions to Offerors, Item B.6, Solicitation Amendments, the above referenced solicitation shall be amended as follows:

### 1. Specifications

The following sections are hereby modified to read:

- a. **Paragraph 3.5** “For Phase Two (2) vehicles, the Contractor shall supply a quote within five (5) calendar days after receiving a request from the Eligible Agency. The quotation shall include but not be limited to the following information: State contract number, vehicle availability and delivery lead-time, Vehicle Identification Number (VIN), dealer stock number, vehicle base bid price, itemized options, applicable tax, delivery cost, total price, and point of contact. For vehicles requiring up-fit/modifications, all applicable cost may be included in quotation or as a separate quotation.”
- b. **Paragraph 3.10:** “For Phase One (1) the Contractor shall provide the Eligible Agency copies of the manufacturer's vehicle identification numbers (VIN#) to confirm vehicles have been ordered unless impossible due to manufacture delay within ninety (90) calendar days after receipt of a purchase order. If confirmation of manufacturer’s VIN #(s) is not received within this timeframe the Eligible Agency has the option to award to the second lowest bidder meeting specifications. This shall be considered a mandatory requirement and the timeframe must be met unless there is a manufacture delay. Failure to provide this document for each vehicle ordered may be cause for determination of default of contract.”

2. All other terms, conditions and provisions of this solicitation remain unchanged.

## Solicitation Amendment Summary

<b>SOLICITATION NO.:</b> BPM004157	<b>AMENDMENT NO.:</b> Two (2)
<b>DESCRIPTION:</b> New Vehicles Purchases	

- b. Transportation costs to transfer a vehicle from another dealer for a Phase 2 or purchase from stock may be added to the cost of the vehicle. The justification for this cost is at the discretion of the Eligible Agency.
- c. Any reference to Phase 1 pricing shall be in reference to vehicles ordered prior to the factory cut-off date.
- d. Any reference to Phase 2 pricing shall be in reference to vehicles purchased from stock or “on the lot”.
- e. Phase 2 pricing shall receive the same cost considerations as Phase 1 pricing, all discounts and rebates should be passed onto the Eligible Agency.
- f. All vehicles are to be billed at prices in effect at the time of order, not the date of shipment.
- g. Pricing for vehicles shall include all discounts and deductions, less Federal and State taxes. Pricing shall be firm for life of contract unless amended by way of contract change order. “

**b. Paragraph 22 is hereby replaced with the following:** “The Contractor shall furnish Two (2) Usage reports, the first to the Department on a quarterly basis showing purchasing activity under this contract. This usage report shall be provided in a form substantially equivalent to Exhibit 03. Usage reports shall be submitted to the Procurement Officer no later than 30 days after the end of each quarter.

Usage report quarters shall be defined as follows:

- January through March – Report due April 30
- April through June – Report due July 30
- July through September – Report due October 30
- October through December – Report due January 30

Contractor shall submit the second to the State documenting all Contract sales to both Eligible Agencies and Co-Op Buyers, itemized separately. A *Quarterly Usage Report* shall still be submitted; even if there have been no sales to either Eligible Agencies and/or Co-Op Buyers. Contractor shall further itemize divisions, groups or areas within a given Eligible Agency if they place Orders independently of each other. Failure to submit the report is a material breach of contract, and will entitle State to its remedies under Article 8 and its right to terminate for default under Article 9. Contractor shall submit the report using the forms and following the instructions on the State Procurement Office website:

<https://spo.az.gov/contractor-resources/statewide-contracts-administrative-fee>”

**c. Paragraph 25:** Co-op administrative fee has hereby been removed.



ARIZONA DEPARTMENT OF TRANSPORTATION  
1739 W. Jackson Street, MD 100P  
Phoenix, AZ 85007  
602.712.7211

## Solicitation Amendment Summary

SOLICITATION NO.: BPM004157	AMENDMENT NO.: Two (2)
DESCRIPTION: New Vehicles Purchases	

3. **Offer Response Form** is hereby replaced with Revision Two (2) attachment.
4. All other terms, conditions and provisions of this solicitation remain unchanged.

## Solicitation Amendment Summary

<b>SOLICITATION NO.: BPM004157</b>	<b>AMENDMENT NO.: Three (3)</b>
<b>DESCRIPTION: New Vehicles Purchases</b>	

Pursuant to the Uniform Instructions to Offerors, Item B.6, Solicitation Amendments, the above referenced solicitation shall be amended as follows:

### 1. Specifications

The following sections are hereby modified to read:

- a. **Paragraph 3.5** “For Phase Two (2) vehicles, the Contractor shall supply a quote within five (5) calendar days after receiving a request from the Eligible Agency. The quotation shall include but not be limited to the following information: State contract number, vehicle availability and delivery lead-time, Vehicle Identification Number (VIN), dealer stock number, vehicle base bid price, itemized options, applicable tax, delivery cost, total price, and point of contact. For vehicles requiring up-fit/modifications, all applicable cost may be included in quotation or as a separate quotation.”
- b. **Paragraph 3.10:** “For Phase One (1) the Contractor shall provide the Eligible Agency copies of the manufacturer's vehicle identification numbers (VIN#) to confirm vehicles have been ordered unless impossible due to manufacture delay within ninety (90) calendar days after receipt of a purchase order. If confirmation of manufacturer’s VIN #(s) is not received within this timeframe the Eligible Agency has the option to award to the second lowest bidder meeting specifications. This shall be considered a mandatory requirement and the timeframe must be met unless there is a manufacture delay. Failure to provide this document for each vehicle ordered may be cause for determination of default of contract.”

- 2. All other terms, conditions and provisions of this solicitation remain unchanged.

## Contract Amendment Summary

<b>CONTRACTOR: PFVT Motors Inc.</b>	<b>AMENDMENT NO.: Two (2)</b>
<b>DESCRIPTION: CTR059322 - New Vehicles Purchases</b>	

Pursuant to the Uniform Terms and Conditions, Section 5, Contract Changes, the above referenced contract is amended. Summary of changes is as follows:

1. Amendment Two (2) to mutually extend this contract from March 17, 2024 through March 16, 2025 unless terminated, canceled or extended as otherwise provided in the contract.
2. The executed SPO205 Forced Labor of Ethnic Uyghurs Ban form is hereby included with this amendment.
3. All other terms, conditions and provisions of this contract remain unchanged.

Forced Labor of Ethnic Uyghurs Ban

Please note that if any of the following apply to the Contractor, then the Offeror shall select the "Exempt Contractor" option below:

- Contractor is a sole proprietorship;
- Contractor has fewer than ten (10) employees; OR
- Contractor is a non-profit organization.

Pursuant to A.R.S. § 35-394, the State of Arizona prohibits a public entity from entering into or renewing a contract with a company unless the contract includes written certification that the company does not use the forced labor, or any goods or services produced by the forced labor, of ethnic Uyghurs in the People's Republic of China.

Under A.R.S. §35-394:

1. "Company" means an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company or other entity or business association, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate, that engages in for-profit activity and that has ten or more full-time employees.
2. "Public entity" means this State, a political subdivision of this State or an agency, board, commission or department of this State or a political subdivision of this State.

In compliance with A.R.S. §§ 35-394 et seq., all offerors must select **one** of the following:

<input checked="" type="checkbox"/>	<p>The Company submitting this Offer does not use, and agrees not to use during the term of the contract, any of the following:</p> <ul style="list-style-type: none"> <li>• Forced labor of ethnic Uyghurs in the People’s Republic of China;</li> <li>• Any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China; or</li> <li>• Any Contractors, Subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China.</li> </ul>
<input checked="" type="checkbox"/>	<p>The Company submitting this Offer <b>does</b> participate in use of Forced Uyghurs Labor as described in A.R.S. § 35-394.</p>
<input type="checkbox"/>	<p><b>Exempt Contractor.</b></p> <p>Indicate which of the following statements applies to this Contractor (may be more than one):</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Contractor is a sole proprietorship;</li> <li><input type="checkbox"/> Contractor has fewer than ten (10) employees; and/or</li> <li><input type="checkbox"/> Contractor is a non-profit organization.</li> </ul>

PFVT Motors LLC dba Peoria Ford

Company Name

9130 West Bell Road

Address

Peoria

AZ

85382

City

State

Zip



Signature of Person Authorized to Sign

Wesley Boswell

Printed Name

Government Account Manager

Title

10/24/2023

Date

*Please respond to the following items according to the instructions below. Each response should demonstrate the Offeror's ability to satisfy the Specifications requirements. **Failure to respond may negatively impact the option to award.***

1.1. The Contractor shall provide the goods/services described in any or all of the contract categories. Indicate the categories that apply to your offer:

- Category One: Phase One (1) Vehicle Purchases**
- Category Two: Phase Two (2) Vehicle Purchases**
- Category Three: FTA Funded Vehicles**

1.2 **PHASE ONE (1) Pricing for New Vehicle Purchases: Price List:** (Any manufacturer available by Offeror shall be written in below which includes all optional equipment) Price shall be a fixed percentage off MSRP. The detailed price list for each available model will be sent to the Procurement Officer as they become available during the contract term. If multiple level discounts apply for that specific category, you may provide the minimum percentage. *Detailed price lists will not be required at the time of Proposal submittal.* Do not provide pricing on any other format other than what is provided below:

Phase One (1) Manufacture/Category (i.e. Silverado, F150, RAM 1500, Focus, Cruze, Dart etc.) Per Minimum Specifications	Percentage (%) Off of Manufacture Retail Price (MSRP)
FORD/ F-150/ ½ TON TRUCKS – REG CAB, SUPERCAB, CREW CAB – 4X4 AND 4X2, GAS	MIN 22.5%
FORD/F-150/1/2 TON – CREW CAB 4X4 – LIGHTNING	MIN 10.1%
FORD/ F-250-550/ ¾ TON TRUCK - REG CAB, SUPERCAB, CREW CAB – 4X4 AND 4X2	MIN 22.5%
FORD/SUV/ ESCAPE, EXPLORER, EXPEDITION – FWD, RWD, AWD, 4X4, 4X2	MIN 13.25%
FORD/MACH-E/CROSSOVER – AWD OR 4X2	Min 1.5%
FORD/BRONCO SPORT/COMPACT SUV – 4X4	MIN 13.2%
FORD/BRONCO/MID-SIZED SUV – 4X4	MIN 7.1%
FORD/E-SERIES/CUTAWAY	MIN 20.2%
FORD/TRANSIT WAGON/PASSENGER AND CREW VANS – ½ TON TO 1 TON – LOW, MED, HIGH ROOF - SHORT, LONG AND EXTENDED LENGTHS	MIN 10.1%
FORD/TRANSIT/ CARGO VANS - ½ TON TO 1 TON – LOW, MED, HIGH ROOF - SHORT, LONG AND EXTENDED LENGTHS	MIN 10.2%
FORD/TRANSIT CONNECT WAGON/MINI PASSENGER VAN	MIN 3.5%

FORD/TRANSIT CONNECT/MINI CARGO VAN – SWB OR LWB	MIN 3%
FORD/ E-TRANSIT/ ELECTRIC TRANSIT CARGO VAN – LOW, MED, HIGH ROOF – SHORT, LONG AND EXTENDED LENGTHS - RWD	MIN 5.5%
FORD/ F-350 TO F-550 CHASSIS/ CHASSIS CAB – 4X4 AND 4X2	MIN 20.5%
FORD/ESCAPE PHEV/PLUG-IN HYBRID AND HYBRID COMPACT SUV	MIN 13.1%
FORD/POLICE INTERCEPTOR/MID-SIZED PURSUIT SUV - AWD	MIN 18.5%
FORD/ RANGER/ MID-SIZE TRUCK – EXTENDED OR CREW CAB - 4X4 OR 4X2	MIN 16.3%
FORD/MAVERICK/COMPACT TRUCK – CREW CAB – AWD OR FWD	MIN 10.25%
FORD/MUSTANG/COUPE - RWD	MIN 14.1%

\*\*\*PERCENTAGES FOR MODELS THAT ARE CURRENTLY UNAVAILABLE ARE BASED ON DRAFT PRICING AND PREVIOUS MODEL YEAR TRENDS. PERCENTAGE OFF IS LIKELY TO INCREASE ON MOST ITEMS ONCE PRICING FOR NEXT MODEL YEAR IS RELEASED

**1.3 PHASE TWO (2) Pricing for New Vehicle Purchases:** (Any manufacturer available by Offeror shall be written in below which includes all optional equipment) Price shall be a fixed percentage off MSRP. The detailed price list for each available model will be sent to the Procurement Officer as they become available during the contract term. If multiple level discounts apply for that specific category, you may provide the minimum percentage. *Detailed price lists will not be required at the time of Proposal submittal.* Do not provide pricing on any other format other than what is provided below:

Phase Two (2) Manufacture/Category (i.e. Silverado, F150, RAM 1500, Focus, Cruze, Dart etc.) Per Minimum Specifications	Percentage (%) Off of Manufacture Retail Price (MSRP)
FORD/ F-150/ ½ TON TRUCKS – REG CAB, SUPERCAB, CREW CAB – 4X4 AND 4X2, GAS	MIN 16.5%
FORD/F-150/1/2 TON – CREW CAB 4X4 – LIGHTNING	MIN 8.2%
FORD/ F-250-550/ ¾ TON TRUCK - REG CAB, SUPERCAB, CREW CAB – 4X4 AND 4X2	MIN 10.1%
FORD/SUV/ ESCAPE, EXPLORER, EXPEDITION – FWD, RWD, AWD, 4X4, 4X2	MIN 10.25%
FORD/MACH-E/CROSSOVER – AWD OR 4X2	Min 1%



FORD/BRONCO SPORT/COMPACT SUV – 4X4	MIN 10.1%
FORD/BRONCO/MID-SIZED SUV – 4X4	MIN 5.1%
FORD/E-SERIES/CUTAWAY	MIN 16.5%
FORD/TRANSIT WAGON/PASSENGER AND CREW VANS – ½ TON TO 1 TON – LOW, MED, HIGH ROOF - SHORT, LONG AND EXTENDED LENGTHS	MIN 14.5%
FORD/TRANSIT/ CARGO VANS - ½ TON TO 1 TON – LOW, MED, HIGH ROOF - SHORT, LONG AND EXTENDED LENGTHS	MIN 15.25%
FORD/TRANSIT CONNECT WAGON/MINI PASSENGER VAN	MIN 2.2%
FORD/TRANSIT CONNECT/MINI CARGO VAN – SWB OR LWB	MIN 2.1%
FORD/ E-TRANSIT/ ELECTRIC TRANSIT CARGO VAN – LOW, MED, HIGH ROOF – SHORT, LONG AND EXTENDED LENGTHS - RWD	MIN 2.1%
FORD/ F-350 TO F-550 CHASSIS/ CHASSIS CAB – 4X4 AND 4X2	MIN 10.1%
FORD/ESCAPE PHEV/PLUG-IN HYBRID AND HYBRID COMPACT SUV	MIN 11.1%
FORD/POLICE INTERCEPTOR/MID-SIZED PURSUIT SUV - AWD	MIN 6.5%
FORD/ RANGER/ MID-SIZE TRUCK – EXTENDED OR CREW CAB - 4X4 OR 4X2	MIN 14.9%
FORD/MAVERICK/COMPACT TRUCK – CREW CAB – AWD OR FWD	MIN 9.5%
FORD/MUSTANG/COUPE - RWD	MIN 10.6%

\*\*\*PERCENTAGES FOR MODELS THAT ARE CURRENTLY UNAVAILABLE ARE BASED ON DRAFT PRICING AND VERY LIMITED CURRENT MARKET AVAILABILITY. PRICING DISCOUNTS ARE LIKELY TO INCREASE ONCE PRICING IS MADE AVAILABLE AND CONSTRAINTS FOR COMMODITIES LIFT  
 \*\*\*PHASE 2 PERCENTAGES ARE BASED ON CURRENT RETAIL MARKET AND AVAILABILITY OF FLEET ALLOCATION

# Offer Response Form for New Vehicle Purchases Revision Two (2)

**1.4 Delivery Fees:** If the contractor offers delivery for the following counties, they must be indicate and include any delivery fee associated with those areas as applicable.

County	Delivery Fee \$	County	Delivery Fee \$	County	Delivery Fee \$
<input checked="" type="checkbox"/> Apache	\$95	<input checked="" type="checkbox"/> Greenlee	\$95	<input checked="" type="checkbox"/> Pima	\$0
<input checked="" type="checkbox"/> Cochise	\$95	<input checked="" type="checkbox"/> La Paz	\$95	<input checked="" type="checkbox"/> Pinal	\$75
<input checked="" type="checkbox"/> Coconino	\$75	<input checked="" type="checkbox"/> Maricopa	\$0	<input checked="" type="checkbox"/> Santa Cruz	\$95
<input checked="" type="checkbox"/> Gila	\$65	<input checked="" type="checkbox"/> Mohave	\$95	<input checked="" type="checkbox"/> Yavapai	\$85
<input checked="" type="checkbox"/> Graham	\$95	<input checked="" type="checkbox"/> Navajo	\$150	<input checked="" type="checkbox"/> Yuma	\$95

**1.5 Evaluation Pricing:** The Contractor shall submit pricing for the following Vehicles. The vehicles listed which is representative of the scope of work that will be performed under this Contract, and therefore constitutes a fair method for determining price fair and reasonable:

- 1.5.1 Phase One (1) Evaluation Pricing:** \*\*\*Specifications for vehicles quoted are included below pricing - MSRP is shown only for reference in specs\*\*\*  
All warranty information is provided\*\*\*

<u>Estimated Usage</u> <u>Quantity</u>	<u>PHASE ONE (1) Base Model</u> <u>Vehicle</u>	<u>Base Price for</u> <u>Phase One (1)</u>	<u>Additional Information</u>
75	Sports Utility Vehicle (SUV) ( <i>base model</i> ) Per Minimum Specifications	\$22,259	FORD ESCAPE FWD – S MODEL – SPARE TIRE IS NOT STANDARD, BUT INFLATION KIT IS PROVIDED. MINI SPARE IS AVAILABLE FROM THE FACTORY OR AFTER MARKET SPARE MAY BE ADDED. CURRENTLY AVAILABLE FOR ORDERS OF 2022 MODEL.
25	One (1) Ton Cargo Van ( <i>base model</i> ) Per Minimum Specifications	\$36,411	TRANSITS ARE NOT CURRENTLY AVAILABLE FOR ORDERING, SO PRICING IS BASED ON DRAFT PROJECTION FROM

## Offer Response Form for New Vehicle Purchases Revision Two (2)

			MANUFACTURER – MODEL PROVIDED IS 2023 W1Y – TRANSIT T-350, 130” WB, RWD, LOW ROOF, INCLUDES FRONT AND REAR A/C OPTION
50	1/2 Ton Truck Regular Cab ( <i>base model</i> ) Per Minimum Specifications	\$25,695	NOT CURRENTLY AVAILABLE FOR ORDER, PRICING IS BASED ON PROJECTED DRAFT PRICING. MODEL IS F-150 REG CAB 4X2, SHORT WHEELBASE. 2023 MODEL PROJECTION.

### 1.5.2. Phase Two (2) Evaluation Pricing:

<u>Estimated Usage Quantity</u>	<u>PHASE TWO (2) Base Model Vehicle</u>	<u>Base Price for Phase TWO (2)</u>	<u>Additional Information</u>
25	Sports Utility Vehicle (SUV) ( <i>base model</i> ) Per Minimum Specifications	\$22,543	FORD ESCAPE FWD – S MODEL – SPARE TIRE IS NOT STANDARD, BUT INFLATION KIT IS PROVIDED. MINI SPARE IS AVAILABLE FROM THE FACTORY OR AFTER MARKET SPARE MAY BE ADDED.
15	One (1) Ton Cargo Van ( <i>base model</i> ) Per Minimum Specifications	\$29,223	MODEL PROVIDED IS CURRENT 2022 W1Y – TRANSIT T-350, 130” WB, RWD, LOW ROOF, INCLUDES FRONT AND REAR A/C OPTION
25	1/2 Ton Truck Regular Cab ( <i>base model</i> ) Per Minimum Specifications	\$24,162	MODEL IS F-150 REG CAB 4X2, SHORT WHEELBASE. CURRENT 2022 MODEL PRICING

Prepared for: , STATE OF ARIZONA AZ

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2022 Escape 4dr FWD S (U0F)

Price Level: 225

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## Client Proposal

Prepared by:

Sandra Gonzalez

Office: 480-696-5930

Email: [SGONZALEZ@PEORIAFORD.COM](mailto:SGONZALEZ@PEORIAFORD.COM)

Quote ID: STATEESCAP

Date: 01/19/2022

**Prepared for:**

STATE OF ARIZONA

Prepared by: Sandra Gonzalez

01/19/2022



Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

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2022 Escape 4dr FWD S (U0F)

Price Level: 225 | Quote ID: STATEESCAP

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, **STATE OF ARIZONA**AZ

Re: Quote ID STATEESCAP 01/19/2022

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To Whom It May Concern,

Thank you very much for your interest in acquiring a vehicle from our dealership. We concur that your interest is well deserved. We hope that an outstanding product lineup and our dedication to customer service will enhance your ownership experience should you decide to buy a vehicle from us.

Attached, please find additional information that I hope will assist you in making a more informed decision. Please feel free to contact me at any time as I would truly appreciate the opportunity to be of service to you.

Best Regards,

**Sandra Gonzalez**

GOVERNMENT AND FLEET SALES MANAGER

480-696-5930

SGONZALEZ@PEORIAFORD.COM

**Prepared for:**

STATE OF ARIZONA

Prepared by: Sandra Gonzalez

01/19/2022



Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

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**2022 Escape 4dr FWD S (U0F)**

Price Level: 225 | Quote ID: STATEESCAP

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**Prepared for:**

STATE OF ARIZONA

Prepared by: Sandra Gonzalez

01/19/2022



Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

**2022 Escape 4dr FWD S (U0F)**

Price Level: 225 | Quote ID: STATEESCAP

**As Configured Vehicle**

Code	Description	MSRP
<b>Base Vehicle</b>		
U0F	Base Vehicle Price (U0F)	\$26,010.00
<b>Packages</b>		
100A	<b>Equipment Group 100A</b> <i>Includes:</i> - Engine: 1.5L EcoBoost Includes auto start-stop technology. - Transmission: 8-Speed Automatic - 3.81 Axle Ratio - GVWR: TBD - Tires: 225/65R17 AS BSW - Wheels: 17" Steel w/Sparkle Silver-Painted Covers - Cloth Front Bucket Seats Includes 6-way manual driver (fore/aft, up/down, recline) and 4-way manual front passenger (fore/aft with manual recline). - Radio: AM/FM Stereo Includes 6 speakers and speed compensated volume. - SYNC Communications & Entertainment System Includes enhanced voice recognition communication and entertainment system, 4.2" LCD screen in center stack, AppLink, 911 Assist and smart charging USB port. - FordPass Connect Includes 4G LTE Wi-Fi hotspot that connects up to 10 devices (includes a wireless data trial that begins upon AT&T activation and expires at the end of 3 months or when 3GB of data is used, whichever comes first, but cannot extend beyond the trial subscription period for remote features. To activate, go to <a href="http://www.att.com/ford">www.att.com/ford</a> ). Remote start with specific time scheduling, lock and unlock, locate parked vehicle and check vehicle status (the FordPass App and complimentary connected services are required for remote features (see FordPass terms for details). Connected services and features depend on compatible AT&T network availability. Evolving technology/cellular networks/vehicle capability may limit functionality and prevent operation of connected features. Connected services exclude Wi-Fi hotspot).	N/C
<b>Powertrain</b>		
996	<b>Engine: 1.5L EcoBoost</b> <i>Includes auto start-stop technology.</i>	Included
448	<b>Transmission: 8-Speed Automatic</b>	Included
STDAX	<b>3.81 Axle Ratio</b>	Included
STDGV	<b>GVWR: TBD</b>	Included
<b>Wheels &amp; Tires</b>		
STDTR	<b>Tires: 225/65R17 AS BSW</b>	Included
STDWL	<b>Wheels: 17" Steel w/Sparkle Silver-Painted Covers</b>	Included
<b>Seats &amp; Seat Trim</b>		
V	<b>Cloth Front Bucket Seats</b>	Included

**Prepared for:**

STATE OF ARIZONA

Prepared by: Sandra Gonzalez

01/19/2022



Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

**2022 Escape 4dr FWD S (U0F)**

Price Level: 225 | Quote ID: STATEESCAP

**As Configured Vehicle (cont'd)**

Code	Description	MSRP
	<i>Includes 6-way manual driver (fore/aft, up/down, recline) and 4-way manual front passenger (fore/aft with manual recline).</i>	

**Other Options**

PAINT	Monotone Paint Application	STD
106WB	106" Wheelbase	STD
STDRD	Radio: AM/FM Stereo	Included
	<i>Includes 6 speakers and speed compensated volume.</i>	
	<i>Includes:</i>	
	<i>- SYNC Communications &amp; Entertainment System</i>	
	<i>Includes enhanced voice recognition communication and entertainment system, 4.2" LCD screen in center stack, AppLink, 911 Assist and smart charging USB port.</i>	
	<i>- FordPass Connect</i>	
	<i>Includes 4G LTE Wi-Fi hotspot that connects up to 10 devices (includes a wireless data trial that begins upon AT&amp;T activation and expires at the end of 3 months or when 3GB of data is used, whichever comes first, but cannot extend beyond the trial subscription period for remote features. To activate, go to <a href="http://www.att.com/ford">www.att.com/ford</a>). Remote start with specific time scheduling, lock and unlock, locate parked vehicle and check vehicle status (the FordPass App and complimentary connected services are required for remote features (see FordPass terms for details). Connected services and features depend on compatible AT&amp;T network availability. Evolving technology/cellular networks/vehicle capability may limit functionality and prevent operation of connected features. Connected services exclude Wi-Fi hotspot).</i>	

**Emissions**

425	50-State Emissions System	STD
-----	---------------------------	-----

**Interior Color**

VH_01	Dark Earth Gray	N/C
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**Exterior Color**

YZ_01	Oxford White	N/C
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SUBTOTAL		\$26,010.00
Destination Charge		\$1,245.00
TOTAL		\$27,255.00



## Prepared for:

STATE OF ARIZONA

Prepared by: Sandra Gonzalez

01/19/2022



Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

## 2022 Escape 4dr FWD S (U0F)

Price Level: 225 | Quote ID: STATEESCAP

# Selected Equip & Specs

### Dimensions

- Exterior length: 180.5"
- Exterior height: 66.1"
- Front track: 62.4"
- Turning radius: 19.2'
- Front legroom: 42.4"
- Front headroom: 40.0"
- Front hiproom: 55.2"
- Front shoulder room: 57.6"
- Passenger volume: 104.0cu.ft.
- Cargo volume seats folded: 65.4cu.ft.
- Exterior width: 74.1"
- Wheelbase: 106.7"
- Rear track: 61.8"
- Min ground clearance: 7.3"
- Rear legroom: 40.7"
- Rear headroom: 39.3"
- Rear hiproom: 53.3"
- Rear shoulder room: 56.0"
- Cargo volume: 37.5cu.ft.
- Maximum cargo volume: 65.4cu.ft.

### Powertrain

- EcoBoost 181hp 1.5L DOHC 12 valve intercooled turbo I-3 engine with Ti-VCT variable valve control, port/direct injection
- Driver selectable mode
- LEV3-SULEV30
- Front-wheel drive
- Fuel Economy City: 28 mpg
- Capless fuel filler
- Auto stop-start feature
- Recommended fuel : premium unleaded
- 8 speed automatic transmission with overdrive
- Limited slip differential
- Fuel Economy Highway: 34 mpg

### Suspension/Handling

- Front independent strut suspension with anti-roll bar, gas-pressurized shocks
- Speed-sensing electric power-assist rack-pinion Steering
- P225/65HR17 BSW AS front and rear tires
- Rear independent short and long arm suspension with anti-roll bar, gas-pressurized shocks
- Front and rear 17 x 7 steel wheels

### Body Exterior

- 4 doors
- Black door mirrors
- Body-coloured bumpers
- Front and rear 17 x 7 wheels
- Driver and passenger power remote, manual folding door mirrors
- Lip rear spoiler
- Clearcoat paint

### Convenience

- Manual air conditioning with air filter
- Power windows
- Remote power door locks with 2 stage unlock and illuminated entry
- Cruise control with steering wheel controls
- Driver 1-touch down
- Manual tilt steering wheel

## Prepared for:

STATE OF ARIZONA

Prepared by: Sandra Gonzalez

01/19/2022



Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

## 2022 Escape 4dr FWD S (U0F)

Price Level: 225 | Quote ID: STATEESCAP

### Selected Equip & Specs (cont'd)

- Manual telescopic steering wheel
- FordPass Connect 4G internet access
- Wireless phone connectivity
- 2 1st row LCD monitors
- Dual visor mirrors
- Driver and passenger door bins
- Day-night rearview mirror
- 911 Assist emergency SOS
- AppLink smart device integration
- Front and rear cupholders
- Full floor console
- Rear door bins

### Seats and Trim

- Seating capacity of 5
- 6-way driver seat adjustment
- 4-way passenger seat adjustment
- 60-40 folding rear split-bench seat
- Metal-look/piano black instrument panel insert
- Metal-look gear shifter material
- Front bucket seats
- Manual height adjustable driver seat
- Centre front armrest
- Cloth seat upholstery
- Metal-look console insert

### Entertainment Features

- AM/FM stereo radio with radio data system
- Steering wheel mounted radio controls
- Streaming audio
- SYNC external memory control
- 6 speakers
- Integrated roof antenna

### Lighting, Visibility and Instrumentation

- Halogen projector beam headlights
- Auto on/off headlights
- Variable intermittent front windshield wipers
- Fixed interval rear windshield wiper
- Fixed rearmost windows
- Front and rear reading lights
- Compass
- Camera(s) - rear
- Trip computer
- Lane departure
- Delay-off headlights
- LED brakelights
- Speed sensitive wipers
- Rear window defroster
- Light tinted windows
- Tachometer
- Outside temperature display
- Low tire pressure warning
- Trip odometer
- Ford Co-Pilot360 - BLIS (Blind Spot Information System) blind spot

### Safety and Security

- 4-wheel ABS brakes
- Electric parking brake
- AdvanceTrac w/Roll Stability Control Electronic stability control
- Dual front impact airbag supplemental restraint system
- Safety Canopy System curtain 1st and 2nd row overhead airbag supplemental restraint system
- Brake assist with hill hold control
- 4-wheel disc brakes
- ABS and driveline traction control
- Dual seat mounted side impact airbag supplemental restraint system
- Knee airbag supplemental restraint system

**Prepared for:**

STATE OF ARIZONA

Prepared by: Sandra Gonzalez

01/19/2022



Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

**2022 Escape 4dr FWD S (U0F)**

Price Level: 225 | Quote ID: STATEESCAP

**Selected Equip & Specs (cont'd)**

- Airbag supplemental restraint system occupancy sensor
- Power remote door locks with 2 stage unlock and panic alarm
- MyKey restricted driving mode
- 3 manually adjustable rear head restraints
- Ford Co-Pilot360 - Pre-Collision Assist with Automatic Emergency Braking (AEB) Feature
- Remote activated perimeter/approach lighting
- With SecuriLock immobilizer and stolen vehicle tracking system
- Manually adjustable front head restraints
- Ford Co-Pilot360 - BLIS (Blind Spot Information System) blind spot

**Dimensions***General Weights*

Curb ..... 3,298 lbs.

*General Trailering*

Towing capacity ..... 2000 lbs.

GCWR ..... 6660 lbs.

*Fuel Tank type*

Capacity ..... 14.79 gal.

Capless fuel filler ..... Yes

*Off Road*

Min ground clearance ..... 7 "

*Interior cargo*

Cargo volume ..... 37.5 cu.ft.

Cargo volume seats folded ..... 65.4 cu.ft.

Maximum cargo volume ..... 65.4 cu.ft.

Height ..... 34.8 "

Length ..... 68.5 "

Length to rear seat ..... 37.8 "

Minimum width ..... 41.4 "

Maximum width ..... 57.3 "

**Powertrain***Engine Type*

Brand ..... EcoBoost

Block material ..... Aluminum

Cylinders ..... I-3

Head material ..... Aluminum

Ignition ..... Spark

Injection ..... Port/direct injection

Liters ..... 1.5L

Orientation ..... Transverse

Recommended fuel ..... Premium unleaded

Valves per cylinder ..... 4

Valvetrain ..... DOHC

Variable valve control ..... Ti-VCT

Forced induction ..... Intercooled turbo

*Engine Spec*

Bore ..... 3.31"

Compression ratio ..... 11.0:1

Displacement ..... 91 cu.in.

Stroke ..... 3.54"

*Engine Power*

Output ..... 181 HP @ 6,000 RPM

Torque ..... 190 ft.-lb @ 3,000 RPM

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01/19/2022



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**2022 Escape 4dr FWD S (U0F)**

Price Level: 225 | Quote ID: STATEESCAP

**Selected Equip & Specs (cont'd)**

*Alternator*

Amps ..... 0

*Battery*

Run down protection ..... Yes

*Engine Extras*

Auto stop-start feature ..... Yes

Driver selectable mode ..... Yes

*Transmission*

Electronic control ..... Yes

Lock-up ..... Yes

Overdrive ..... Yes

Speed ..... 8

Type ..... Automatic

*Transmission Gear Ratios*

1st ..... 4.69

2nd ..... 3.31

3rd ..... 3.01

4th ..... 1.92

5th ..... 1.45

6th ..... 1

7th ..... 0.75

8th ..... 0.62

Reverse Gear ratios ..... 2.96

*Transmission Extras*

Driver selectable mode ..... Yes

Oil cooler ..... Regular duty

*Drive Type*

Type ..... Front-wheel

*Drive Feature*

Limited slip differential ..... Brake actuated

Traction control ..... ABS and driveline

*Drive Axle*

Ratio ..... 3.81

*Exhaust*

Material ..... Stainless steel

System type ..... Quasi-dual

Tailpipe finisher ..... Chrome

*Emissions*

CARB ..... LEV3-SULEV30

EPA ..... Tier 3 Bin 30

*Fuel Economy*

City ..... 28 mpg

Highway ..... 34 mpg

Fuel type ..... Gasoline

Combined ..... 30 mpg

*Acceleration*

0-60 mph (s) ..... 8.46

*1/4 Mile*

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**Selected Equip & Specs (cont'd)**

Seconds .....	16.2	Speed .....	88 mph
<i>Skid Pad</i>			
Lateral acceleration (g) .....	0.8		
<i>Slalom</i>			
Speed .....	59 mph		
<i>Green Values</i>			
Energy Impact Score (Barrels per year) .....	11.0	Carbon FP / Tailpipe and upstream total GHG (CO2, tons per year) .....	5.8

**Driveability**

*Brakes*

ABS .....	4-wheel	ABS channels .....	4
Type .....	4-wheel disc	Vented discs .....	Front
Electric parking brake .....	Yes		

*Brake Assistance*

Brake assist .....	Yes	Hill hold control .....	Yes
--------------------	-----	-------------------------	-----

*Suspension Control*

Ride .....	Regular	Electronic stability control .....	Stability control with anti-roll
------------	---------	------------------------------------	----------------------------------

*Front Suspension*

Independence .....	Independent	Type .....	Strut
Anti-roll bar .....	Regular		

*Front Spring*

Type .....	Coil	Grade .....	Regular
------------	------	-------------	---------

*Front Shocks*

Type .....	Gas-pressurized
------------	-----------------

*Rear Suspension*

Independence .....	Independent	Type .....	Short and long arm
Anti-roll bar .....	Regular		

*Rear Spring*

Type .....	Coil	Grade .....	Regular
------------	------	-------------	---------

*Rear Shocks*

Type .....	Gas-pressurized
------------	-----------------

*Steering*

Speed-sensing .....	Yes	Activation .....	Electric power-assist
Type .....	Rack-pinion		

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**Selected Equip & Specs (cont'd)***Steering Specs*

# of wheels ..... 2

**Exterior***Front Wheels*

Diameter ..... 17"      Width ..... 7.00"

*Rear Wheels*

Diameter ..... 17"      Width ..... 7.00"

*Front and Rear Wheels*

Material ..... Steel      Covers ..... Full wheel

*Front Tires*Aspect ..... 65      Diameter ..... 17"  
Sidewalls ..... BSW      Speed ..... H  
Tread ..... AS      Type ..... P  
Width ..... 225mm*Rear Tires*Aspect ..... 65      Diameter ..... 17"  
Sidewalls ..... BSW      Speed ..... H  
Tread ..... AS      Type ..... P  
Width ..... 225mm*Wheels*Front track ..... 62.4"      Rear track ..... 61.8"  
Turning radius ..... 19.2'      Wheelbase ..... 106.7"*Body Features*Rear spoiler ..... Lip      Body material ..... Fully galvanized steel  
Side impact beams ..... Yes      Active grille shutters ..... Yes*Body Doors*Door count ..... 4      Left rear passenger ..... Conventional  
Right rear passenger ..... Conventional      Cargo ..... Liftgate*Exterior Dimensions*Length ..... 180.5"      Body width ..... 74.1"  
Body height ..... 66.1"**Safety***Airbags*

Driver front-impact ..... Yes      Driver side-impact ..... Seat mounted

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**Selected Equip & Specs (cont'd)**

Occupancy sensor	Yes	Overhead ... Safety Canopy System curtain 1st and 2nd row	
Passenger front-impact	Yes	Passenger side-impact	Seat mounted
Knee	Driver		
<b>Seatbelt</b>			
Rear centre 3 point	Yes	Height adjustable	Front
Pre-tensioners	Front	Pre-tensioners (#)	2
<b>Security</b>			
Immobilizer	SecuriLock	Panic alarm	Yes
Restricted driving mode	MyKey		

**Seating****Passenger Capacity**

Capacity ..... 5

**Front Seats**

Split ..... Buckets      Type ..... Bucket

**Driver Seat**Fore/aft ..... Manual      Height adjustable ..... Manual  
Reclining ..... Manual      Way direction control ..... 6**Passenger seat**Fore/aft ..... Manual      Reclining ..... Manual  
Way direction control ..... 4**Front Head Restraint**

Control ..... Manual      Type ..... Adjustable

**Front Armrest**

Centre ..... Yes

**Rear Seats**Descriptor ..... Split-bench      Facing ..... Front  
Folding ..... 60-40      Folding position ..... Fold forward seatback  
Type ..... Fixed      Reclining ..... Manual  
Fore/aft ..... Manual**Rear Head Restraints**Control ..... Manual      Type ..... Adjustable  
Number ..... 3**Front Seat Trim**

Material ..... Cloth      Back material ..... Cloth

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**Selected Equip & Specs (cont'd)***Rear Seat Trim Group*

Material ..... Cloth

Back material ..... Carpet

**Convenience***AC And Heat Type*

Air conditioning ..... Manual

Air filter ..... Yes

Underseat ducts ..... Yes

*Audio System*

Radio ..... AM/FM stereo

Radio data system ..... Yes

Radio grade ..... Regular

Seek-scan ..... Yes

External memory control ..... SYNC

Internet radio ..... Yes

*Audio Speakers*

Speaker type ..... Regular

Speakers ..... 6

*Audio Controls*

Speed sensitive volume ..... Yes

Steering wheel controls ..... Yes

Voice activation ..... Yes

Streaming audio ..... Bluetooth yes

*Audio Antenna*

Type ..... Integrated roof

*LCD Monitors*

1st row ..... 2

Primary monitor size (inches) ..... 4.2

*Cruise Control*

Cruise control ..... With steering wheel controls

*Convenience Features*

Driver foot rest ..... Yes

Retained accessory power ..... Yes

12V DC power outlet ..... 3

Emergency SOS ..... 911 Assist

Wireless phone connectivity ..... Bluetooth

Smart device integration ..... App link

*Door Lock Activation*

Type ..... Power with 2 stage unlock

Remote ..... Keyfob (all doors)

Integrated key/remote ..... Yes

Auto locking ..... Yes

*Door Lock Type*

Rear child safety ..... Manual

Tailgate/rear door lock. Included with power door locks

*Door Locks Extra FOB Controls*

Remote engine start ..... Smart device only

*Instrumentation Type*

Appearance ..... Analog



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**Selected Equip & Specs (cont'd)***Instrumentation Gauges*

Tachometer ..... Yes      Engine temperature ..... Yes

*Instrumentation Warnings*

Oil pressure	Yes	Engine temperature	Yes
Battery	Yes	Lights on	Yes
Key	Yes	Low fuel	Yes
Low washer fluid	Yes	Lighting malfunction	Yes
Door ajar	Yes	Rear cargo ajar	Yes
Service interval	Yes	Brake fluid	Yes
Low tire pressure	Tire specific		

*Instrumentation Displays*

Clock	In-radio display	Compass	Yes
Exterior temp	Yes	Systems monitor	Yes
Camera(s) - rear	Yes		

*Instrumentation Feature*

Trip computer	Yes	Trip odometer	Yes
Lane departure	Active	Blind spot	Warning
Forward collision	Mitigation	Rear collision	Warning
Pedestrian detection	Prevention		

*Steering Wheel Type*

Material	Urethane	Tilting	Manual
Telescoping	Manual		

*Front Side Windows*

Window 1st row activation ..... Power

*Windows Rear Side*

2nd row activation ..... Power      3rd row activation ..... Fixed

*Window Features*

1-touch down ..... Driver      Tinted ..... Light

*Front Windshield*

Wiper ..... Variable intermittent      Speed sensitive wipers ..... Yes

*Rear Windshield*Wiper ..... Fixed interval      Defroster ..... Yes  
Window ..... Fixed**Interior***Driver Visor*

Mirror ..... Yes

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**Selected Equip & Specs (cont'd)***Passenger Visor*

Mirror ..... Yes

*Rear View Mirror*

Day-night ..... Yes

*Headliner*

Coverage ..... Full      Material ..... Cloth

*Floor Trim*Coverage ..... Full      Covering ..... Carpet  
Mats ..... Carpet front and rear*Trim Feature*Instrument panel insert ..... Metal-look/piano black      Gear shifter material ..... Metal-look  
Door panel insert ..... Metal-look      Console insert ..... Metal-look  
Interior accents ..... Metal-look*Lighting*Dome light type ..... Fade      Front reading ..... Yes  
Illuminated entry ..... Yes      Rear reading ..... Yes  
Ignition switch ..... Yes      Variable IP lighting ..... Yes*Floor Console Storage*

Storage ..... Covered      Type ..... Full

*Overhead Console Storage*

Storage ..... Yes      Type ..... Mini

*Storage*Driver door bin ..... Yes      Front Beverage holder(s) ..... Yes  
Glove box ..... Yes      Passenger door bin ..... Yes  
Rear yes ..... Yes      Rear door bins ..... Yes*Cargo Space Trim*

Floor ..... Carpet      Trunk lid/rear cargo door ..... Plastic

*Cargo Space Feature*Tie downs ..... Yes      Light ..... Yes  
Concealed storage ..... Yes      Tire mobility kit ..... Yes*Legroom*

Front ..... 42.4"      Rear ..... 40.7"

*Headroom*

Front ..... 40.0"      Rear ..... 39.3"

*Hip Room*

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**Selected Equip & Specs (cont'd)**

Front .....	55.2"	Rear .....	53.3"
<i>Shoulder Room</i>			
Front .....	57.6"	Rear .....	56.0"
<i>Interior Volume</i>			
Passenger volume .....	104.0 cu.ft.		

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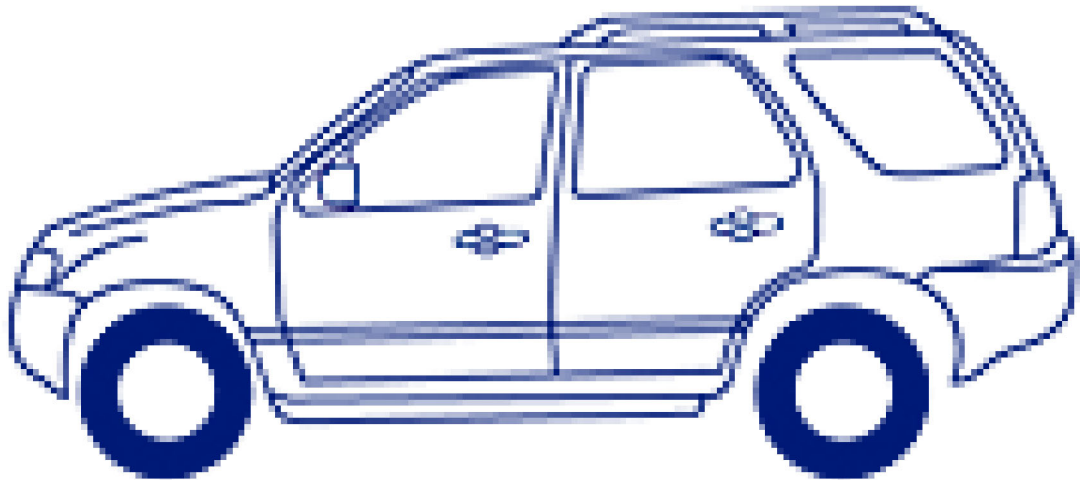
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## Vehicle Dimension and Performance Summary

Performance predictions in this report represent an estimate of vehicle performance based on standard operating conditions. Variations in customer equipment, load configuration, ambient conditions, and/or operator driving techniques can cause significant variations in vehicle performance. These values are not representative of results that may be shown in actual dynamometer tests. This report should therefore be used as a guide for comparative vehicle performance.



### Light Duty

GVWR ..... N/A lbs

GVW ..... Totals

1 Payload - (Added Equipment ) ..... 0 lbs

Occupants Weight ..... 750 lbs

Curb Weight (as configured) ..... 3,298 lbs

**TOTAL** ..... **4,048 lbs**

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## Vehicle Dimension and Performance Summary (cont'd)

Payload .....	0 lbs
Useable Payload .....	-750 lbs

Useable Payload (-750 lbs) exceeds Payload (0 lbs).

Maximum payload capabilities are for properly equipped vehicles with required equipment and vary based on vehicle configuration, accessories, and option content.

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**2022 Escape 4dr FWD S (U0F)**

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## Warranty

### Standard Warranty

*Basic*

Distance ..... 36,000 miles      Months ..... 36 months

*Powertrain*

Distance ..... 60,000 miles      Months ..... 60 months

*Corrosion Perforation*

Distance ..... Unlimited miles      Months ..... 60 months

*Roadside Assistance*

Distance ..... 60,000 miles      Months ..... 60 months

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**2022 Escape 4dr FWD S (U0F)**

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**Available Options**

Selected	Code	Description	MSRP
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**Packages**

<input checked="" type="checkbox"/>	100A	Equipment Group 100A	N/C
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*Includes:*

- Engine: 1.5L EcoBoost  
*Includes auto start-stop technology.*
- Transmission: 8-Speed Automatic
- 3.81 Axle Ratio
- GVWR: TBD
- Tires: 225/65R17 AS BSW
- Wheels: 17" Steel w/Sparkle Silver-Painted Covers
- Cloth Front Bucket Seats  
*Includes 6-way manual driver (fore/aft, up/down, recline) and 4-way manual front passenger (fore/aft with manual recline).*
- Radio: AM/FM Stereo  
*Includes 6 speakers and speed compensated volume.*
- SYNC Communications & Entertainment System  
*Includes enhanced voice recognition communication and entertainment system, 4.2" LCD screen in center stack, AppLink, 911 Assist and smart charging USB port.*
- FordPass Connect  
*Includes 4G LTE Wi-Fi hotspot that connects up to 10 devices (includes a wireless data trial that begins upon AT&T activation and expires at the end of 3 months or when 3GB of data is used, whichever comes first, but cannot extend beyond the trial subscription period for remote features. To activate, go to [www.att.com/ford](http://www.att.com/ford)). Remote start with specific time scheduling, lock and unlock, locate parked vehicle and check vehicle status (the FordPass App and complimentary connected services are required for remote features (see FordPass terms for details). Connected services and features depend on compatible AT&T network availability. Evolving technology/cellular networks/vehicle capability may limit functionality and prevent operation of connected features. Connected services exclude Wi-Fi hotspot).*

**Powertrain**

<input checked="" type="checkbox"/>	996	Engine: 1.5L EcoBoost <i>Includes auto start-stop technology.</i>	STD
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<input checked="" type="checkbox"/>	448	Transmission: 8-Speed Automatic	STD
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<input checked="" type="checkbox"/>	STDAX	3.81 Axle Ratio	STD
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<input checked="" type="checkbox"/>	STDGV	GVWR: TBD	STD
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**Wheels & Tires**

<input checked="" type="checkbox"/>	STDTR	Tires: 225/65R17 AS BSW	STD
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<input checked="" type="checkbox"/>	STDWL	Wheels: 17" Steel w/Sparkle Silver-Painted Covers	STD
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**Available Options (cont'd)**

Selected	Code	Description	MSRP
<input type="checkbox"/>	64U	Wheels: 17" Shadow Silver-Painted Aluminum	\$595.00
<input type="checkbox"/>	51U	Mini Spare Wheel Replaces tire inflator and sealant kit. <i>Includes mini spare tire, wheel nut wrench and jack.</i>	\$110.00

**Seats & Seat Trim**

<input checked="" type="checkbox"/>	V	Cloth Front Bucket Seats <i>Includes 6-way manual driver (fore/aft, up/down, recline) and 4-way manual front passenger (fore/aft with manual recline).</i>	STD
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**Other Options**

<input checked="" type="checkbox"/>	PAINT	Monotone Paint Application	STD
<input checked="" type="checkbox"/>	106WB	106" Wheelbase	STD
<input checked="" type="checkbox"/>	STDRD	Radio: AM/FM Stereo <i>Includes 6 speakers and speed compensated volume. Includes: - SYNC Communications &amp; Entertainment System   Includes enhanced voice recognition communication and entertainment system, 4.2" LCD screen in center stack, AppLink, 911 Assist and smart charging USB port. - FordPass Connect   Includes 4G LTE Wi-Fi hotspot that connects up to 10 devices (includes a wireless data trial that begins upon AT&amp;T activation and expires at the end of 3 months or when 3GB of data is used, whichever comes first, but cannot extend beyond the trial subscription period for remote features. To activate, go to <a href="http://www.att.com/ford">www.att.com/ford</a>). Remote start with specific time scheduling, lock and unlock, locate parked vehicle and check vehicle status (the FordPass App and complimentary connected services are required for remote features (see FordPass terms for details). Connected services and features depend on compatible AT&amp;T network availability. Evolving technology/cellular networks/vehicle capability may limit functionality and prevent operation of connected features. Connected services exclude Wi-Fi hotspot).</i>	STD

<input type="checkbox"/>	41H	Engine Block Heater	\$150.00
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<input type="checkbox"/>	153	Front License Plate Bracket <i>Standard in states requiring two license plates and optional to all others.</i>	N/C
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<input type="checkbox"/>	47B	Easy Access Cargo Shade	\$135.00
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**Available Options (cont'd)**

Selected	Code	Description	MSRP
<input type="checkbox"/>	50B	Front & Rear Floor Liners w/Carpet Mats <i>Includes standard front and rear carpeted floor mats.</i>	\$200.00
<input type="checkbox"/>	50C	Front & Rear Floor Liners w/o Carpet Mats <i>Deletes standard front and rear carpeted floor mats.</i>	\$160.00
<input type="checkbox"/>	50Q	Cargo Mat	\$100.00
<input type="checkbox"/>	63E	Remote Start System <i>Long range with confirmation. Includes 2 separate key fobs.</i>	\$495.00
<input type="checkbox"/>	63C	Splash Guards	\$210.00

**Dealer Installed Options**

<input type="checkbox"/>	FHLAH	Cargo Organizer, Soft-Sided Cooler Bag <i>Includes adjustable carrying strap and Ford logo. Shipped separately from the vehicle for dealer installation. These features are ordered through WBDO only.</i>	\$35.00
<input type="checkbox"/>	BECAG	Cargo Organizer, Soft-Sided Large, Folding <i>Includes Ford logo. Shipped separately from the vehicle for dealer installation. These features are ordered through WBDO only.</i>	\$90.00
<input type="checkbox"/>	BECAF	Cargo Organizer, Soft-Sided Standard, Folding <i>Includes Ford logo. Shipped separately from the vehicle for dealer installation. These features are ordered through WBDO only.</i>	\$80.00
<input type="checkbox"/>	J4JAE	Center Console In-Vehicle Safe by Console Vault <i>Includes coded lock. Shipped separately from the vehicle for dealer installation. These features are ordered through WBDO only.</i>	\$380.00
<input type="checkbox"/>	AHQAB	First Aid Kit <i>Shipped separately from the vehicle for dealer installation. These features are ordered through WBDO only.</i>	\$50.00

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**Available Options (cont'd)**

Selected	Code	Description	MSRP
<input type="checkbox"/>	AHMAB	Road Side Assistance Kit <i>Shipped separately from the vehicle for dealer installation. These features are ordered through WBDO only.</i>	\$70.00
<input type="checkbox"/>	D5EAD	Wheel-Locking Lug Nuts <i>Shipped separately from the vehicle for dealer installation. These features are ordered through WBDO only.</i>	\$75.00

**Fleet Options**

<input type="checkbox"/>	942	Daytime Running Lamps (DRL) Requires valid FIN code. <i>Non-configurable. Replaces the standard Configurable Daytime Running Lamps (DRL).</i>	\$45.00
<input type="checkbox"/>	924	Privacy Glass Requires valid FIN code. <i>2nd row side and liftgate.</i>	\$270.00
<input type="checkbox"/>	60S	Reverse Parking Sensor Requires valid FIN code.	\$245.00
<input type="checkbox"/>	96B	Decal Option Up To 8 Square Feet Material Requires valid FIN code. <i>Minimum annual order of 25 units. For order process details, go to <a href="http://www.fordcommercialgraphics.com">www.fordcommercialgraphics.com</a>.</i>	N/A
<input type="checkbox"/>	96C	Decal Option Up To 12 Square Feet Material Requires valid FIN code. <i>Minimum annual order of 25 units. For order process details, go to <a href="http://www.fordcommercialgraphics.com">www.fordcommercialgraphics.com</a>.</i>	N/A
<input type="checkbox"/>	96D	Decal Option Up To 18 Square Feet Material Requires valid FIN code. <i>Minimum annual order of 25 units. For order process details, go to <a href="http://www.fordcommercialgraphics.com">www.fordcommercialgraphics.com</a>.</i>	N/A

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**Available Options (cont'd)**

Selected	Code	Description	MSRP
<input type="checkbox"/>	96E	Decal Option Up To 25 Square Feet Material	N/A
		Requires valid FIN code. <i>Minimum annual order of 25 units. For order process details, go to <a href="http://www.fordcommercialgraphics.com">www.fordcommercialgraphics.com</a>.</i>	
<input type="checkbox"/>	96F	Decal Option Up To 40 Square Feet Material	N/A
		Requires valid FIN code. <i>Minimum annual order of 25 units. For order process details, go to <a href="http://www.fordcommercialgraphics.com">www.fordcommercialgraphics.com</a>.</i>	
<input type="checkbox"/>	96G	Decal Option Up To 55 Square Feet Material	N/A
		Requires valid FIN code. <i>Minimum annual order of 25 units. For order process details, go to <a href="http://www.fordcommercialgraphics.com">www.fordcommercialgraphics.com</a>.</i>	
<input type="checkbox"/>	D9U	Built: Louisville Plant	N/C
<input type="checkbox"/>	31L	Ship Thru: Auto Truck	N/C
<input type="checkbox"/>	31N	Ship Thru: Monroe Truck Equipment Inc.	N/C
<input type="checkbox"/>	31F	Ship-Thru: National Fleet Services	\$0.00
<input type="checkbox"/>	31P	Ship-Thru: PalFleet Truck Equipment	N/C
<input type="checkbox"/>	31K	Ship-Thru: Knapheide Truck Equipment	\$0.00
<input type="checkbox"/>	31M	Ship-Thru: Manning Truck Equipment	N/C
<input type="checkbox"/>	31V	Ship-Thru: Adrian Steel	\$0.00
<input type="checkbox"/>	31J	Ship-Thru: Knapheide - IN	N/C

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**Available Options (cont'd)**

Selected	Code	Description	MSRP
<input type="checkbox"/>	31C	Ship-Thru: KC Truck Systems Inc.	\$0.00
<input type="checkbox"/>	31U	Ship-Thru: General Truck Body	N/C
<input type="checkbox"/>	FLADCR	Fleet Advertising Credit	\$0.00
<input type="checkbox"/>	FINAL2	Fleet Final Order Date: TBD	N/C
<input type="checkbox"/>	56M	Ford US National Fleet Incentives Ford US National - 10/04/21	\$0.00

**Emissions**

<input checked="" type="checkbox"/>	425	50-State Emissions System	STD
-------------------------------------	-----	---------------------------	-----

**General Info**

<input type="checkbox"/>	ORDER1	Initial Order Date: 08/16/2021	N/C
<input type="checkbox"/>	START1	Start-Up Date: 11/24/2021	N/C
<input type="checkbox"/>	FINAL1	Final Order Date: TBD	N/C
<input type="checkbox"/>	BUILD1	Build-Out Date: TBD	N/C

---

2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

---



**Client Proposal**

Prepared by:

Sandra Gonzalez

Office: 480-696-5930

Email: [SGONZALEZ@PEORIAFORD.COM](mailto:SGONZALEZ@PEORIAFORD.COM)

Date: 01/19/2022



Prepared by: Sandra Gonzalez  
01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

---

## 2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

---

Re: Vehicle Proposal 01/19/2022

---

To Whom It May Concern,

Thank you very much for your interest in acquiring a vehicle from our dealership. We concur that your interest is well deserved. We hope that an outstanding product lineup and our dedication to customer service will enhance your ownership experience should you decide to buy a vehicle from us.

Attached, please find additional information that I hope will assist you in making a more informed decision. Please feel free to contact me at any time as I would truly appreciate the opportunity to be of service to you.

Best Regards,

**Sandra Gonzalez**  
GOVERNMENT AND FLEET SALES MANAGER  
480-696-5930  
SGONZALEZ@PEORIAFORD.COM



Prepared by: Sandra Gonzalez  
01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

---

## 2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

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Prepared by: Sandra Gonzalez  
01/19/2022

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## 2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

### As Configured Vehicle

Code	Description	MSRP
<b>Base Vehicle</b>		
W1Y	Base Vehicle Price (W1Y)	\$38,125.00
<b>Packages</b>		
101A	Order Code 101A <i>Includes:</i> - Engine: 3.5L PFDi V6 Flex-Fuel Includes port injection. - Auto Start-Stop Switch Delete Deletes button on dash which disables auto start-stop technology. Deletes auto stop-start technology disable button on dash, however, the feature remains permanently active. - Transmission: 10-Spd Automatic w/OD & SelectShift Includes auxiliary transmission oil cooler. - 3.73 Axle Ratio - GVWR: 9,500 lbs - Tires: 235/65R16C 121/119 R AS BSW - Wheels: 16" Silver Steel w/Black Hubcap - Dark Palazzo Gray Vinyl Bucket Seats Includes 2-way manual driver seat, 2-way manual passenger seat and driver armrest only. - Vinyl Front Bucket Seats - Radio: AM/FM Stereo Includes 4.0" multi-function display, Bluetooth, dual USB ports and 4 speakers (front).	N/C
<b>Powertrain</b>		
998	Engine: 3.5L PFDi V6 Flex-Fuel <i>Includes port injection.</i> <i>Includes:</i> - Auto Start-Stop Switch Delete Deletes button on dash which disables auto start-stop technology. Deletes auto stop-start technology disable button on dash, however, the feature remains permanently active.	Included
44U	Transmission: 10-Spd Automatic w/OD & SelectShift <i>Includes auxiliary transmission oil cooler.</i>	Included
X73	3.73 Axle Ratio	Included
STDGV	GVWR: 9,500 lbs	Included
57A	Auto Start-Stop Switch Delete <i>Deletes button on dash which disables auto start-stop technology. Deletes auto stop-start technology disable button on dash, however, the feature remains permanently active.</i>	Included
<b>Wheels &amp; Tires</b>		
STDTR	Tires: 235/65R16C 121/119 R AS BSW	Included
STDWL	Wheels: 16" Silver Steel w/Black Hubcap	Included





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01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

As Configured Vehicle (cont'd)

Code	Description	MSRP
<b>Seats &amp; Seat Trim</b>		
V	Vinyl Front Bucket Seats	Included
21G	Dark Palazzo Gray Vinyl Bucket Seats	Included
	<i>Includes 2-way manual driver seat, 2-way manual passenger seat and driver armrest only.</i>	
<b>Other Options</b>		
PAINT	Monotone Paint Application	STD
130WB	130" Wheelbase	STD
60C	Cruise Control w/Adjustable Spd Limiting Device (ASLD)	\$325.00
	<i>The ASLD feature is great for city driving; it allows the driver to set an upper speed limit for the vehicle. If the vehicle begins to approach the upper speed limit then audible and visual warning are given.</i>	
57G	Driver Controlled Front/Rear Aux A/C & Heater	\$860.00
	<i>Heat is distributed from rear of front-passenger seat. A/C is distributed from the rear of van.</i>	
58U	Radio: AM/FM Stereo	Included
	<i>Includes 4.0" multi-function display, Bluetooth, dual USB ports and 4 speakers (front).</i>	
<b>Fleet Options</b>		
WARANT	Fleet Customer Powertrain Limited Warranty	N/C
	Requires valid FIN code.	
	<i>Ford is increasing the 5-year 60,000-mile limited powertrain warranty to 5-years, 100,000 miles. Only Fleet purchasers with a valid Fleet Identification Number (FIN code) will receive the extended warranty. When the sale is entered into the sales reporting system with a sales type fleet along with a valid FIN code, the warranty extension will automatically be added to the vehicle. The extension will stay with the vehicle even if it is subsequently sold to a non-fleet customer before the expiration. This extension applies to both gas and diesel powertrains. Dealers can check for the warranty extension on eligible fleet vehicles in OASIS. Please refer to the Warranty and Policy Manual section 3.13.00 Gas Engine Commercial Warranty. This change will also be reflected in the printed Warranty Guided distributed with the purchase of every new vehicle.</i>	
<b>Emissions</b>		
425	50-State Emissions System	STD
<b>Interior Color</b>		
VK_01	Dark Palazzo Gray	N/C



Prepared by: Sandra Gonzalez

01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

---

## 2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

---

### As Configured Vehicle (cont'd)

Code	Description	MSRP
<b>Exterior Color</b>		
YZ_01	Oxford White	N/C
SUBTOTAL		\$39,310.00
Destination Charge		\$1,695.00
TOTAL		\$41,005.00



Prepared by: Sandra Gonzalez  
01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

## 2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

### Selected Equip & Specs

#### Dimensions

- Exterior length: 219.9"
- Exterior height: 83.9"
- Front track: 68.2"
- Turning radius: 21.5'
- Front headroom: 40.8"
- Front shoulder room: 67.9"
- Exterior width: 81.3"
- Wheelbase: 130.0"
- Rear track: 68.6"
- Front legroom: 41.3"
- Front hiproom: 60.7"
- Cargo volume: 246.7cu.ft.

#### Powertrain

- 275hp 3.5L DOHC 24 valve V-6 engine with variable valve control, port/direct injection
- ULEV II
- Rear-wheel drive
- Fuel Economy Highway: N/A
- Recommended fuel : regular unleaded
- 10 speed automatic transmission with overdrive
- Fuel Economy Cty: N/A
- Capless fuel filler

#### Suspension/Handling

- Front independent strut suspension with anti-roll bar
- Electric power-assist rack-pinion Steering
- LT235/65SR16 CBSW AS front and rear tires
- Rear rigid axle leaf spring suspension with regular shocks
- Front and rear 16 x 6.5 argent steel wheels

#### Body Exterior

- 3 doors
- Driver and passenger power remote, manual folding door mirrors
- Black bumpers
- Front and rear 16 x 6.5 wheels
- Sliding right rear passenger
- Black door mirrors
- Clearcoat paint
- 1 rear tow hook(s)

#### Convenience

- Manual air conditioning
- \* **Cruise control with steering wheel controls**
- Power front windows
- Remote power door locks with 2 stage unlock and illuminated entry
- Manual telescopic steering wheel
- Emergency SOS
- 1 1st row LCD monitor
- Driver and passenger door bins
- \* **Rear HVAC**
- \* **Ford Co-Pilot360 - ACC with ASLD distance pacing**
- Driver 1-touch down
- Manual tilt steering wheel
- FordPass Connect 4G internet access
- Wireless phone connectivity
- Front cupholders

#### Seats and Trim



Prepared by: Sandra Gonzalez  
01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

## 2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

### Selected Equip & Specs (cont'd)

- Seating capacity of 2
- 4-way driver seat adjustment
- Driver armrest
- Front bucket seats
- 4-way passenger seat adjustment
- Metal-look instrument panel insert

### Entertainment Features

- AM/FM stereo radio
- External memory control
- 4 speakers
- Fixed antenna
- Auxiliary audio input
- Steering wheel mounted radio controls
- Streaming audio

### Lighting, Visibility and Instrumentation

- Halogen aero-composite headlights
- Auto on/off headlights
- Light tinted windows
- Tachometer
- Low tire pressure warning
- Lane departure
- Delay-off headlights
- Variable intermittent front windshield wipers
- Front reading lights
- Camera(s) - rear
- Trip odometer

### Safety and Security

- 4-wheel ABS brakes
- Electric parking brake
- Ford Co-Pilot360 w/Side Wind Stabilization Electronic stability control
- Dual front impact airbag supplemental restraint system with passenger cancel
- Safety Canopy System curtain 1st row overhead airbag supplemental restraint system
- Power remote door locks with 2 stage unlock and panic alarm
- Manually adjustable front head restraints
- Brake assist with hill hold control
- 4-wheel disc brakes
- ABS and driveline traction control
- Dual seat mounted side impact airbag supplemental restraint system
- Airbag supplemental restraint system occupancy sensor
- SecuriLock immobilizer
- Ford Co-Pilot360 - Pre-Collision Assist with Automatic Emergency Braking (AEB) Feature

### Dimensions

#### General Weights

Curb .....	4,985 lbs.	GVWR .....	9,500 lbs.
Payload .....	4,460 lbs.		

#### Front Weights

Front GAWR .....	4,130 lbs.
------------------	------------

#### Rear Weights

Rear GAWR .....	5,750 lbs.
-----------------	------------



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01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

**2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)**

Price Level: 220

**Selected Equip & Specs (cont'd)**

*General Trailering*

Towing capacity ..... 5300 lbs.      GCWR ..... 10800 lbs.

*Fuel Tank type*

Capacity ..... 25.1 gal.      Capless fuel filler ..... Yes

*Off Road*

Load floor height ..... 29 "

*Interior cargo*

Cargo volume ..... 246.7 cu.ft.      Height ..... 56.9 "  
Length ..... 126.0 "      Minimum width ..... 54.8 "  
Maximum width ..... 70.2 "

**Powertrain**

*Engine Type*

Block material ..... Aluminum      Cylinders ..... V-6  
Head material ..... Aluminum      Ignition ..... Spark  
Injection ..... Port/direct injection      Liters ..... 3.5L  
Orientation ..... Longitudinal      Recommended fuel ..... Regular unleaded  
Valves per cylinder ..... 4      Valvetrain ..... DOHC  
Variable valve control ..... Yes

*Engine Spec*

Bore ..... 3.64"      Compression ratio ..... 11.8:1  
Displacement ..... 213 cu.in.      Stroke ..... 3.41"

*Engine Power*

Output ..... 275 HP @ 6,250 RPM      Torque ..... 260 ft.-lb @ 4,000 RPM

*Alternator*

Amps ..... 250

*Battery*

Amp hours ..... 70      Run down protection ..... Yes

*Transmission*

Electronic control ..... Yes      Lock-up ..... Yes  
Overdrive ..... Yes      Speed ..... 10  
Type ..... Automatic

*Transmission Gear Ratios*

1st ..... 4.689      2nd ..... 2.985  
3rd ..... 2.146      4th ..... 1.769  
5th ..... 1.52      6th ..... 1.275  
7th ..... 1      8th ..... 0.854



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## 2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

### Selected Equip & Specs (cont'd)

9th .....	0.689	10th .....	0.636
Reverse Gear ratios .....	4.866		

#### Transmission Extras

* <b>Sequential shift control</b> .....	<b>Yes</b>	Oil cooler .....	Regular duty
---	------------	------------------	--------------

#### Drive Type

Type ..... Rear-wheel

#### Drive Feature

Traction control ..... ABS and driveline

#### Drive Axle

Ratio ..... 3.73

#### Exhaust

Material .....	Stainless steel	System type .....	Single
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#### Emissions

CARB .....	ULEV II	EPA .....	Tier 2 Bin 5
------------	---------	-----------	--------------

#### Fuel Economy

Fuel type ..... Gasoline

#### Fuel Economy (Alternate 1)

Fuel type ..... E85

### Driveability

#### Brakes

ABS .....	4-wheel	ABS channels .....	4
Type .....	4-wheel disc	Vented discs .....	Front
Electric parking brake .....	Yes		

#### Brake Assistance

Brake assist .....	Yes	Hill hold control .....	Yes
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#### Suspension Control

Ride .....	Regular	Electronic stability control .....	Stability control with anti-roll
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#### Front Suspension

Independence .....	Independent	Type .....	Strut
Anti-roll bar .....	Regular		

#### Front Spring

Type .....	Coil	Grade .....	Regular
------------	------	-------------	---------

#### Front Shocks



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**2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)**

Price Level: 220

**Selected Equip & Specs (cont'd)**

Type .....	Regular		
<i>Rear Suspension</i>			
Independence .....	Rigid axle	Type .....	Leaf
<i>Rear Spring</i>			
Type .....	Leaf	Grade .....	Regular
<i>Rear Shocks</i>			
Type .....	HD		
<i>Steering</i>			
Activation .....	Electric power-assist	Type .....	Rack-pinion
<i>Steering Specs</i>			
# of wheels .....	2		

**Exterior**

<i>Front Wheels</i>			
Diameter .....	16"	Width .....	6.50"
<i>Rear Wheels</i>			
Diameter .....	16"	Width .....	6.50"
<i>Spare Wheels</i>			
Wheel material .....	Steel		
<i>Front and Rear Wheels</i>			
Appearance .....	Argent	Material .....	Steel
Covers .....	Hub		
<i>Front Tires</i>			
Aspect .....	65	Diameter .....	16"
Sidewalls .....	BSW	Speed .....	S
Tread .....	AS	Type .....	LT
Width .....	235mm	LT load rating .....	C
RPM .....	720		
<i>Rear Tires</i>			
Aspect .....	65	Diameter .....	16"
Sidewalls .....	BSW	Speed .....	S
Tread .....	AS	Type .....	LT
Width .....	235mm	LT load rating .....	C
RPM .....	720		
<i>Spare Tire</i>			
Mount .....	Underbody w/crankdown	Type .....	Full-size



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01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

## 2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

### Selected Equip & Specs (cont'd)

#### Wheels

Front track .....	68.2"	Rear track .....	68.6"
Turning radius .....	21.5'	Wheelbase .....	130.0"

#### Body Features

Front license plate bracket .....	Yes	Body material .....	Fully galvanized steel
Side impact beams .....	Yes	Rear tow hook(s) .....	1

#### Body Doors

Door count .....	3	Right rear passenger .....	Sliding
Cargo .....	Split swing-out		

#### Exterior Dimensions

Length .....	219.9"	Body width .....	81.3"
Body height .....	83.9"	Front bumper to Front axle .....	40.3"
Side door opening height .....	49.6"	Side door opening width .....	51.2"
Rear door opening height .....	49.5"	Rear door opening width .....	61.7"
Rear door opening degree .....	180.0		

### Safety

#### Airbags

Driver front-impact .....	Yes	Driver side-impact .....	Seat mounted
Occupancy sensor .....	Yes	Overhead .....	Safety Canopy System curtain 1st row
Passenger front-impact .....	Cancellable	Passenger side-impact .....	Seat mounted

#### Seatbelt

Height adjustable .....	Front	Pre-tensioners .....	Front
Pre-tensioners (#) .....	2		

#### Security

Immobilizer .....	SecuriLock	Panic alarm .....	Yes
-------------------	------------	-------------------	-----

### Seating

#### Passenger Capacity

Capacity .....	2
----------------	---

#### Front Seats

Split .....	Buckets	Type .....	Bucket
-------------	---------	------------	--------

#### Driver Seat

Fore/aft .....	Manual	Reclining .....	Manual
Way direction control .....	4		

#### Passenger seat





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01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

Selected Equip & Specs (cont'd)

Fore/aft .....	Manual	Reclining .....	Manual
Way direction control .....	4		
<i>Front Head Restraint</i>			
Control .....	Manual	Type .....	Adjustable
<i>Front Armrest</i>			
Driver .....	Yes		
<i>Front Seat Trim</i>			
Material .....	Vinyl	Back material .....	Vinyl

Convenience

<i>AC And Heat Type</i>			
Air conditioning .....	Manual	<b>* Rear HVAC .....</b>	<b>Yes</b>
<b>* Underseat ducts .....</b>	<b>Yes</b>		

<i>Audio System</i>			
Auxiliary audio input .....	Yes	Radio .....	AM/FM stereo
Radio grade .....	Regular	Seek-scan .....	Yes
External memory control .....	External memory control		

<i>Audio Speakers</i>			
Speaker type .....	Regular	Speakers .....	4

<i>Audio Controls</i>			
Steering wheel controls .....	Yes	Streaming audio .....	Bluetooth yes

<i>Audio Antenna</i>	
Type .....	Fixed

<i>LCD Monitors</i>			
1st row .....	1	Primary monitor size (inches) .....	4

<i>Cruise Control</i>			
<b>* Cruise control. With steering wheel controls .....</b>		<b>* Distance pacing Ford Co-Pilot360 - ACC with ASLD .....</b>	

<i>Convenience Features</i>			
Driver foot rest .....	Yes	12V DC power outlet .....	2
Emergency SOS .....	Integrated	Wireless phone connectivity .....	Bluetooth

<i>Door Lock Activation</i>			
Type .....	Power with 2 stage unlock	Remote .....	Keyfob (all doors)
Integrated key/remote .....	Yes	Auto locking .....	Yes



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2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

**Selected Equip & Specs (cont'd)**

*Door Lock Type*

Tailgate/rear door lock. Included with power door locks

*Instrumentation Type*

Appearance ..... Analog

*Instrumentation Gauges*

Tachometer ..... Yes      Engine temperature ..... Yes

*Instrumentation Warnings*

Oil pressure ..... Yes	Engine temperature ..... Yes
Battery ..... Yes	Lights on ..... Yes
Key ..... Yes	Low fuel ..... Yes
Door ajar ..... Yes	Rear cargo ajar ..... Yes
Service interval ..... Yes	Brake fluid ..... Yes
Low tire pressure ..... Yes	

*Instrumentation Displays*

Clock ..... In-radio display      Systems monitor ..... Yes  
Camera(s) - rear ..... Yes

*Instrumentation Feature*

Trip odometer ..... Yes      Lane departure ..... Warning  
Forward collision ..... Mitigation

*Steering Wheel Type*

Material ..... Urethane      Tilting ..... Manual  
Telescoping ..... Manual

*Front Side Windows*

Window 1st row activation ..... Power

*Window Features*

1-touch down ..... Driver      Tinted ..... Light  
Laminated glass ..... Yes

*Front Windshield*

Wiper ..... Variable intermittent

**Interior**

*Headliner*

Coverage ..... Front      Material ..... Cloth

*Floor Trim*

Coverage ..... Front      Covering ..... Vinyl/rubber



Prepared by: Sandra Gonzalez  
01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

## 2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

### Selected Equip & Specs (cont'd)

#### Trim Feature

Instrument panel insert ..... Metal-look      Gear shifter material ..... Urethane

#### Lighting

Dome light type ..... Fade      Front reading ..... Yes  
Illuminated entry ..... Yes      Variable IP lighting ..... Yes

#### Floor Console Storage

Storage ..... Yes      Type ..... Partial

#### Storage

Driver door bin ..... Yes      Front Beverage holder(s) ..... Yes  
Glove box ..... Locking      Passenger door bin ..... Yes  
Instrument panel ..... Bin

#### Cargo Space Feature

Light ..... Yes

#### Legroom

Front ..... 41.3"

#### Headroom

Front ..... 40.8"

#### Hip Room

Front ..... 60.7"

#### Shoulder Room

Front ..... 67.9"



Prepared by: Sandra Gonzalez  
01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

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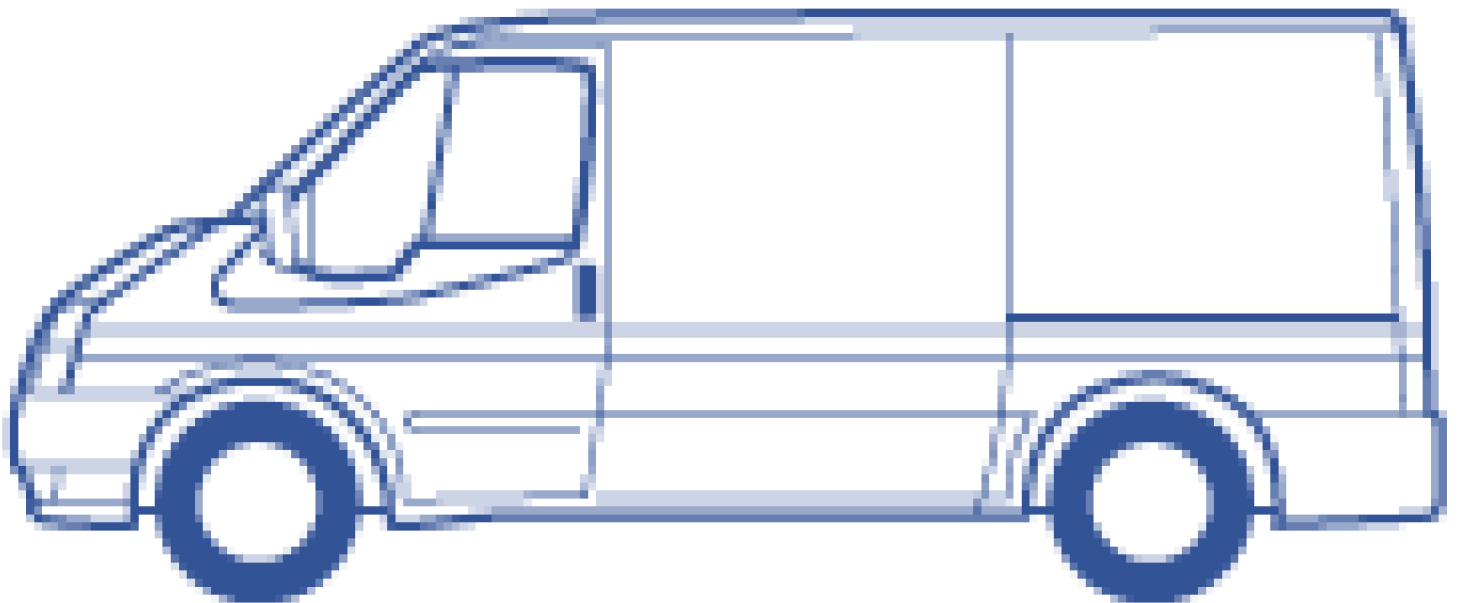
## 2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

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### Vehicle Dimension and Performance Summary

Performance predictions in this report represent an estimate of vehicle performance based on standard operating conditions. Variations in customer equipment, load configuration, ambient conditions, and/or operator driving techniques can cause significant variations in vehicle performance. These values are not representative of results that may be shown in actual dynamometer tests. This report should therefore be used as a guide for comparative vehicle performance.





Prepared by: Sandra Gonzalez

01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

2022 Transit-350 Cargo RWD Low Roof Van 130" WB Base (W1Y)

Price Level: 220

## Vehicle Dimension and Performance Summary (cont'd)

### Light Duty

GVWR ..... 9,500 lbs

GVW ..... Totals

1 Payload - (Added Equipment ) ..... 0 lbs

Occupants Weight ..... 300 lbs

Curb Weight (as configured) ..... 4,985 lbs

**TOTAL** ..... **5,285 lbs**

Payload ..... 4,460 lbs

Useable Payload ..... 4,160 lbs

Maximum payload capabilities are for properly equipped vehicles with required equipment and vary based on vehicle configuration, accessories, and option content.

Prepared for: , STATE OF ARIZONA AZ

---

2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Price Level: 225

---



## Client Proposal

Prepared by:

Sandra Gonzalez

Office: 480-696-5930

Email: [SGONZALEZ@PEORIAFORD.COM](mailto:SGONZALEZ@PEORIAFORD.COM)

Quote ID: F150STATE

Date: 01/19/2022

**Prepared for:**

STATE OF ARIZONA

Prepared by: Sandra Gonzalez

01/19/2022



Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

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**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

---

, **STATE OF ARIZONA**AZ

Re: Quote ID F150STATE 01/19/2022

---

To Whom It May Concern,

Thank you very much for your interest in acquiring a vehicle from our dealership. We concur that your interest is well deserved. We hope that an outstanding product lineup and our dedication to customer service will enhance your ownership experience should you decide to buy a vehicle from us.

Attached, please find additional information that I hope will assist you in making a more informed decision. Please feel free to contact me at any time as I would truly appreciate the opportunity to be of service to you.

Best Regards,

**Sandra Gonzalez**

GOVERNMENT AND FLEET SALES MANAGER

480-696-5930

SGONZALEZ@PEORIAFORD.COM

**Prepared for:**

STATE OF ARIZONA

Prepared by: Sandra Gonzalez

01/19/2022



Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

---

**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

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**Prepared for:**

STATE OF ARIZONA

Prepared by: Sandra Gonzalez

01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

**As Configured Vehicle**

Code	Description	MSRP
<b>Base Vehicle</b>		
F1C	Base Vehicle Price (F1C)	\$29,990.00
<b>Packages</b>		
100A	Equipment Group 100A Standard <i>Includes:</i> - Engine: 3.3L V6 PFDI Includes auto start-stop technology and flex-fuel capability. - Transmission: Electronic 10-Speed Automatic Includes selectable drive modes: normal, ECO, sport, tow/haul, slippery and trail. - 3.55 Axle Ratio - GVWR: 6,010 lbs Payload Package - Tires: 245/70R17 BSW A/S - Wheels: 17" Silver Steel - Cloth 40/20/40 Front Seat Includes 2-way manual driver/passenger adjustment and armrest. - Radio: AM/FM Stereo w/4 Speakers Includes auxiliary audio input jack. - SYNC 4 Includes 8" LCD capacitive touchscreen with swipe capability, wireless phone connection, cloud connected, AppLink with App catalog, 911 Assist, Apple CarPlay and Android Auto compatibility and digital owners manual.	N/C
<b>Powertrain</b>		
99B	Engine: 3.3L V6 PFDI <i>Includes auto start-stop technology and flex-fuel capability.</i>	Included
44G	Transmission: Electronic 10-Speed Automatic <i>Includes selectable drive modes: normal, ECO, sport, tow/haul, slippery and trail.</i>	Included
X19	3.55 Axle Ratio	Included
STDGV	GVWR: 6,010 lbs Payload Package	Included
<b>Wheels &amp; Tires</b>		
STDTR	Tires: 245/70R17 BSW A/S	Included
64C	Wheels: 17" Silver Steel	Included
<b>Seats &amp; Seat Trim</b>		
C	Cloth 40/20/40 Front Seat <i>Includes 2-way manual driver/passenger adjustment and armrest.</i>	Included
<b>Other Options</b>		
122WB	122" Wheelbase	STD

**Prepared for:**

STATE OF ARIZONA

Prepared by: Sandra Gonzalez

01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

**As Configured Vehicle (cont'd)**

Code	Description	MSRP
PAINT	Monotone Paint Application	STD
STDRD	Radio: AM/FM Stereo w/4 Speakers <i>Includes auxiliary audio input jack.</i> <i>Includes:</i> - SYNC 4 <i>Includes 8" LCD capacitive touchscreen with swipe capability, wireless phone connection, cloud connected, AppLink with App catalog, 911 Assist, Apple CarPlay and Android Auto compatibility and digital owners manual.</i>	Included
85A	XL Power Equipment Group <i>Includes:</i> - Power Glass Sideview Mirrors w/Black Skull Caps <i>Includes heat and manual-folding.</i> - Illuminated Entry - MyKey - Perimeter Alarm - Power Door Locks <i>Includes flip key and integrated key transmitter keyless-entry (includes Autolock).</i> - Power Tailgate Lock - Power Front Windows	\$970.00

**Fleet Options**

50S	Cruise Control Requires valid FIN code.	\$225.00
WARANT	Fleet Customer Powertrain Limited Warranty Requires valid FIN code. <i>Ford is increasing the 5-year 60,000-mile limited powertrain warranty to 5-years, 100,000 miles. Only Fleet purchasers with a valid Fleet Identification Number (FIN code) will receive the extended warranty. When the sale is entered into the sales reporting system with a sales type fleet along with a valid FIN code, the warranty extension will automatically be added to the vehicle. The extension will stay with the vehicle even if it is subsequently sold to a non-fleet customer before the expiration. This extension applies to both gas and diesel powertrains. Dealers can check for the warranty extension on eligible fleet vehicles in OASIS. Please refer to the Warranty and Policy Manual section 3.13.00 Gas Engine Commercial Warranty. This change will also be reflected in the printed Warranty Guided distributed with the purchase of every new vehicle.</i>	N/C

**Interior Color**

CS_01	Black	N/C
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**Exterior Color**

YZ_01	Oxford White	N/C
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SUBTOTAL		\$31,185.00
Destination Charge		\$1,695.00
<b>TOTAL</b>		<b>\$32,880.00</b>

## Prepared for:

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01/19/2022

Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382



## 2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Price Level: 225 | Quote ID: F150STATE

## Selected Equip & Specs

### Dimensions

- Exterior length: 209.1"
- Exterior height: 75.6"
- Turning radius: 20.6'
- Front legroom: 43.9"
- Front hiproom: 62.5"
- Passenger volume: 64.7cu.ft.
- Departure angle: 24.6 deg
- Box length: 78.0"
- Exterior width: 79.9"
- Wheelbase: 122.0"
- Min ground clearance: 8.7"
- Front headroom: 40.8"
- Front shoulder room: 66.7"
- Approach angle: 24.8 deg
- Maximum cargo volume: 8.8cu.ft.

### Powertrain

- 290hp 3.3L DOHC 24 valve V-6 engine with Ti-VCT variable valve control, port/direct injection
- Driver selectable mode
- LEV3-ULEV70
- Rear-wheel drive
- Fuel Economy Highway: 24 mpg
- Auto stop-start feature
- Recommended fuel : regular unleaded
- 10 speed automatic transmission with overdrive
- Fuel Economy City: 19 mpg
- Capless fuel filler

### Suspension/Handling

- Front independent double wishbone suspension with anti-roll bar, gas-pressurized shocks
- Electric power-assist rack-pinion Steering
- P245/70SR17 BSW AS front and rear tires
- Rear rigid axle leaf spring suspension with gas-pressurized shocks
- Front and rear 17 x 7.5 silver steel wheels

### Body Exterior

- 2 doors
- Black door mirrors
- Bed-rail protectors
- Trailer harness
- Clearcoat paint
- \* **Driver and passenger power remote heated, manual folding door mirrors**
- Black bumpers
- Easy lift tailgate
- Box style: regular
- Front and rear 17 x 7.5 wheels

### Convenience

- Manual air conditioning
- \* **Power front windows**
- \* **Driver and passenger 1-touch down**
- Manual tilt steering wheel
- Day-night rearview mirror
- SYNC 4 911 Assist emergency SOS
- 2 1st row LCD monitors
- \* **Cruise control with steering wheel controls**
- \* **Driver and passenger 1-touch up**
- \* **Remote power door locks with 2 stage unlock and illuminated entry**
- Manual telescopic steering wheel
- FordPass Connect 4G internet access
- Wireless phone connectivity
- Front cupholders

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## 2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)

Price Level: 225 | Quote ID: F150STATE

### Selected Equip & Specs (cont'd)

- Passenger visor mirror
- Driver and passenger door bins
- Full overhead console

### Seats and Trim

- Seating capacity of 3
- 4-way driver seat adjustment
- Centre front armrest
- Front 40-20-40 split-bench seat
- 4-way passenger seat adjustment
- Cloth seat upholstery

### Entertainment Features

- AM/FM stereo radio with radio data system
- SYNC 4 external memory control
- 4 speakers
- Fixed antenna
- Auxiliary audio input
- Steering wheel mounted radio controls
- Streaming audio

### Lighting, Visibility and Instrumentation

- Halogen aero-composite headlights
- Auto on/off headlights
- Light tinted windows
- Tachometer
- Oil pressure gauge
- Outside temperature display
- Low tire pressure warning
- Lane departure
- Delay-off headlights
- Variable intermittent front windshield wipers
- Front reading lights
- Voltmeter
- Compass
- Camera(s) - rear
- Trip odometer

### Safety and Security

- 4-wheel ABS brakes
- Electric parking brake
- AdvanceTrac with Curve Control Electronic stability control
- Dual front impact airbag supplemental restraint system
- Safety Canopy System curtain 1st row overhead airbag supplemental restraint system
- \* **Remote activated perimeter/approach lighting**
- \* **Security system with SecuriLock immobilizer**
- Manually adjustable front head restraints
- Brake assist with hill hold control
- 4-wheel disc brakes
- ABS and driveline traction control
- Dual seat mounted side impact airbag supplemental restraint system
- Airbag supplemental restraint system occupancy sensor
- \* **Power remote door locks with 2 stage unlock and panic alarm**
- \* **MyKey restricted driving mode**
- Ford Co-Pilot360 - Pre-Collision Assist with Automatic Emergency Braking (AEB) Feature

### Dimensions

#### *General Weights*

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Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

**Selected Equip & Specs (cont'd)**

* <b>Curb</b> .....	<b>4,027 lbs.</b>	GVWR .....	6,010 lbs.
Payload .....	1,985 lbs.		
<i>Front Weights</i>			
Front GAWR .....	2,850 lbs.	* <b>Front curb weight</b> .....	<b>2,358 lbs.</b>
Front axle capacity .....	3,750 lbs.	Front spring rating .....	2,850 lbs.
Front tire/wheel capacity .....	4,050 lbs.		
<i>Rear Weights</i>			
Rear GAWR .....	3,500 lbs.	* <b>Rear curb weight</b> .....	<b>1,669 lbs.</b>
Rear axle capacity .....	4,800 lbs.	Rear spring rating .....	3,500 lbs.
Rear tire/wheel capacity .....	4,498 lbs.		
<i>Trailer Type</i>			
Harness .....	Yes	Trailer sway control .....	Yes
<i>General Trailering</i>			
5th-wheel towing capacity .....	5000 lbs.	Gooseneck towing capacity .....	5000 lbs.
Towing capacity .....	5000 lbs.	GCWR .....	9400 lbs.
<i>Fuel Tank type</i>			
Capacity .....	23.01 gal.	Capless fuel filler .....	Yes
<i>Off Road</i>			
Approach angle .....	25 deg	Departure angle .....	25 deg
Ramp breakover angle .....	22 deg	Min ground clearance .....	9 "
Load floor height .....	34 "		
<i>Exterior cargo</i>			
Length .....	78.0 "	Minimum width .....	51.1 "
Volume .....	62.3 cu.ft.	Pickup box depth .....	21.4 "
Maximum width .....	65.2 "	Tailgate width .....	60.3 "
<i>Interior cargo</i>			
Maximum cargo volume .....	8.8 cu.ft.		

**Powertrain***Engine Type*

Block material .....	Aluminum	Cylinders .....	V-6
Head material .....	Aluminum	Ignition .....	Spark
Injection .....	Port/direct injection	Liters .....	3.3L
Orientation .....	Longitudinal	Recommended fuel .....	Regular unleaded
Valves per cylinder .....	4	Valvetrain .....	DOHC
Variable valve control .....	Ti-VCT		

**Prepared for:**

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Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

**Selected Equip & Specs (cont'd)***Engine Spec*

Bore .....	3.56"	Compression ratio .....	12.0:1
Displacement .....	204 cu.in.	Stroke .....	3.41"

*Engine Power*

Output .....	290 HP @ 6,500 RPM	Torque .....	265 ft.-lb @ 4,000 RPM
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*Alternator*

Amps .....	200
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*Battery*

Amp hours .....	70	Cold cranking amps .....	610
Run down protection .....	Yes		

*Engine Extras*

Auto stop-start feature .....	Yes	Driver selectable mode .....	Yes
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*Transmission*

Electronic control .....	Yes	Lock-up .....	Yes
Overdrive .....	Yes	Speed .....	10
Type .....	Automatic		

*Transmission Gear Ratios*

1st .....	4.696	2nd .....	2.985
3rd .....	2.146	4th .....	1.769
5th .....	1.52	6th .....	1.275
7th .....	1	8th .....	0.854
9th .....	0.689	10th .....	0.636
Reverse Gear ratios .....	4.866		

*Transmission Extras*

Driver selectable mode .....	Yes	* Sequential shift control .....	Yes
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*Drive Type*

Type .....	Rear-wheel
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*Drive Feature*

Traction control .....	ABS and driveline
------------------------	-------------------

*Drive Axle*

Ratio .....	3.55
-------------	------

*Exhaust*

Material .....	Stainless steel	System type .....	Single
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*Emissions*

CARB .....	LEV3-ULEV70	EPA .....	Tier 3 Bin 70
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**Prepared for:**

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01/19/2022



Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

**Selected Equip & Specs (cont'd)**

*fuel Economy*

City .....	19 mpg	Highway .....	24 mpg
Fuel type .....	Gasoline	Combined .....	21 mpg

*Fuel Economy (Alternate 1)*

City .....	14 mpg	Highway .....	18 mpg
Fuel type .....	E85	Combined .....	16 mpg

*Green Values*

Energy Impact Score (Barrels per year) .....	15.7	Carbon FP / Tailpipe and upstream total GHG (CO2, tons per year) .....	8.4
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**\* Energy Impact Score (Barrels per year) ..... 4.7**

**Driveability**

*Brakes*

ABS .....	4-wheel	ABS channels .....	4
Type .....	4-wheel disc	Vented discs .....	Front and rear
Electric parking brake .....	Yes		

*Brake Assistance*

Brake assist .....	Yes	Hill hold control .....	Yes
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*Suspension Control*

Ride .....	Regular	Electronic stability control .....	Stability control with anti-roll
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*Front Suspension*

Independence .....	Independent	Type .....	Double wishbone
Anti-roll bar .....	Regular		

*Front Spring*

Type .....	Coil	Grade .....	Regular
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*Front Shocks*

Type .....

 Gas-pressurized

*Rear Suspension*

Independence .....	Rigid axle	Type .....	Leaf
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*Rear Spring*

Type .....	Leaf	Grade .....	Regular
------------	------	-------------	---------

*Rear Shocks*

Type .....

 Gas-pressurized

*Steering*

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Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

**Selected Equip & Specs (cont'd)**

Activation ..... Electric power-assist      Type ..... Rack-pinion

*Steering Specs*

# of wheels ..... 2

**Exterior**

*Front Wheels*

Diameter ..... 17"      Width ..... 7.50"

*Rear Wheels*

Diameter ..... 17"      Width ..... 7.50"

*Spare Wheels*

Wheel material ..... Steel

*Front and Rear Wheels*

Appearance ..... Silver      Material ..... Steel  
Covers ..... Hub

*Front Tires*

Aspect ..... 70      Diameter ..... 17"  
Sidewalls ..... BSW      Speed ..... S  
Tread ..... AS      Type ..... P  
Width ..... 245mm

*Rear Tires*

Aspect ..... 70      Diameter ..... 17"  
Sidewalls ..... BSW      Speed ..... S  
Tread ..... AS      Type ..... P  
Width ..... 245mm

*Spare Tire*

Mount ..... Underbody w/crankdown      Type ..... Full-size

*Wheels*

Turning radius ..... 20.6'      Wheelbase ..... 122.0"

*Body Features*

Body material ..... Aluminum      Side impact beams ..... Yes  
Active grille shutters ..... Yes

*Body Doors*

Door count ..... 2      Cargo ..... Tailgate

*Pickup*

Box style ..... Regular      Bed-rail protectors ..... Yes  
Easy lift tailgate ..... Yes



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Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

**Selected Equip & Specs (cont'd)***Exterior Dimensions*

Length .....	209.1"	Body width .....	79.9"
Body height .....	75.6"	Frame section modulus .....	4.7cu.in.
Frame yield strength (psi) .....	34800.0	Front bumper to Front axle .....	37.8"

**Safety***Airbags*

Driver front-impact .....	Yes	Driver side-impact .....	Seat mounted
Occupancy sensor .....	Yes	Overhead ... Safety Canopy System curtain 1st row	
Passenger front-impact .....	Yes	Passenger side-impact .....	Seat mounted

*Seatbelt*

Height adjustable .....	Front	Pre-tensioners .....	Front
Pre-tensioners (#) .....	2		

*Security*

Immobilizer .....	SecuriLock	* <b>Panic alarm</b> .....	<b>Yes</b>
* <b>Restricted driving mode</b> .....	<b>MyKey</b>		

**Seating***Passenger Capacity*

Capacity .....	3
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*Front Seats*

Split .....	40-20-40	Type .....	Split-bench
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*Driver Seat*

Fore/aft .....	Manual	Reclining .....	Manual
Way direction control .....	4		

*Passenger seat*

Fore/aft .....	Manual	Reclining .....	Manual
Way direction control .....	4		

*Front Head Restraint*

Control .....	Manual	Type .....	Adjustable
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*Front Armrest*

Centre .....	Yes
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*Front Seat Trim*

Material .....	Cloth	Back material .....	Carpet
----------------	-------	---------------------	--------

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**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

**Selected Equip & Specs (cont'd)**

**Convenience**

*AC And Heat Type*

Air conditioning ..... Manual

*Audio System*

Auxiliary audio input ..... Yes  
Radio data system ..... Yes  
Seek-scan ..... Yes

Radio ..... AM/FM stereo  
Radio grade ..... Regular  
External memory control ..... SYNC 4

*Audio Speakers*

Speaker type ..... Regular

Speakers ..... 4

*Audio Controls*

Speed sensitive volume ..... Yes  
Voice activation ..... Yes

Steering wheel controls ..... Yes  
Streaming audio ..... Bluetooth yes

*Audio Antenna*

Type ..... Fixed

*LCD Monitors*

1st row ..... 2

Primary monitor size (inches) ..... 8

*Cruise Control*

**\* Cruise control With steering wheel controls**

*Convenience Features*

**\* Retained accessory power** ..... Yes  
Wireless phone connectivity ..... SYNC 4

Emergency SOS ..... SYNC 4 911 Assist  
Smart device integration ..... Mirroring

*Door Lock Activation*

**\* Type** ..... **Power with 2 stage unlock**  
**\* Integrated key/remote** ..... Yes

**\* Remote** ..... **Keyfob (all doors)**  
**\* Auto locking** ..... Yes

*Door Lock Type*

**\* Tailgate/rear door lock** ... **Included with power door locks**

*Door Locks Extra FOB Controls*

Remote engine start ..... Smart device only

*Instrumentation Type*

Appearance ..... Analog

*Instrumentation Gauges*

Tachometer ..... Yes

Oil pressure ..... Yes

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**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

**Selected Equip & Specs (cont'd)**

Engine temperature ..... Yes  
Transmission fluid temp ..... Yes

Voltmeter ..... Yes

*Instrumentation Warnings*

Oil pressure ..... Yes  
Battery ..... Yes  
Key ..... Yes  
Door ajar ..... Yes  
Brake fluid ..... Yes

Engine temperature ..... Yes  
Lights on ..... Yes  
Low fuel ..... Yes  
Service interval ..... Yes  
Low tire pressure ..... Tire specific

*Instrumentation Displays*

Clock ..... In-radio display  
Exterior temp ..... Yes

Compass ..... Yes  
Camera(s) - rear ..... Yes

*Instrumentation Feature*

Trip odometer ..... Yes  
Forward collision ..... Mitigation

Lane departure ..... Active  
Pedestrian detection ..... Prevention

*Steering Wheel Type*

Material ..... Urethane  
Telescoping ..... Manual

Tilting ..... Manual

*Front Side Windows*

\* **Window 1st row activation** ..... **Power**

*Window Features*

\* **1-touch down** ..... **Driver and passenger**  
Tinted ..... Light

\* **1-touch up** ..... **Driver and passenger**

*Front Windshield*

Wiper ..... Variable intermittent

*Rear Windshield*

Window ..... Fixed

**Interior**

*Passenger Visor*

Mirror ..... Yes

*Rear View Mirror*

Day-night ..... Yes

*Headliner*

Coverage ..... Full

Material ..... Cloth

*Floor Trim*

Coverage ..... Full

Covering ..... Vinyl/rubber

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Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

**Selected Equip & Specs (cont'd)**

*Trim Feature*

Gear shifter material .....	Urethane	Cabback insulator .....	Yes
Interior accents .....	Metal-look		

*Lighting*

Dome light type .....	Fade	Front reading .....	Yes
* <b>Illuminated entry</b> .....	<b>Yes</b>	Variable IP lighting .....	Yes

*Overhead Console Storage*

Storage .....	Yes	Type .....	Full
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*Storage*

Driver door bin .....	Yes	Front Beverage holder(s) .....	Yes
Glove box .....	Locking	Passenger door bin .....	Yes
Instrument panel .....	Bin	Dashboard .....	Yes

*Legroom*

Front ..... 43.9"

*Headroom*

Front ..... 40.8"

*Hip Room*

Front ..... 62.5"

*Shoulder Room*

Front ..... 66.7"

*Interior Volume*

Passenger volume ..... 64.7 cu.ft.

**Prepared for:**

STATE OF ARIZONA

Prepared by: Sandra Gonzalez

01/19/2022



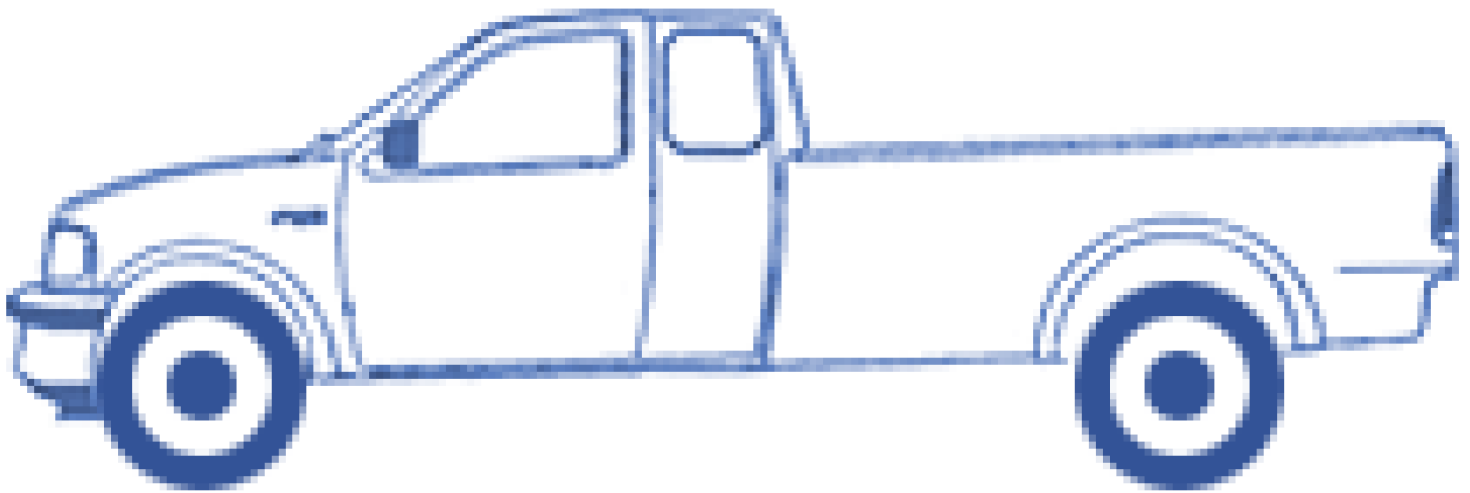
Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

## Vehicle Dimension and Performance Summary

Performance predictions in this report represent an estimate of vehicle performance based on standard operating conditions. Variations in customer equipment, load configuration, ambient conditions, and/or operator driving techniques can cause significant variations in vehicle performance. These values are not representative of results that may be shown in actual dynamometer tests. This report should therefore be used as a guide for comparative vehicle performance.



### Light Duty

GVWR ..... 6,010 lbs

GVW ..... **Totals**

1 Payload - (Added Equipment ) ..... 0 lbs

Occupants Weight ..... 450 lbs

Curb Weight (as configured) ..... 4,027 lbs

**TOTAL** ..... **4,477 lbs**

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01/19/2022



Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

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**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

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## Vehicle Dimension and Performance Summary (cont'd)

Payload .....	1,985 lbs
Useable Payload .....	1,535 lbs

Maximum payload capabilities are for properly equipped vehicles with required equipment and vary based on vehicle configuration, accessories, and option content.

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01/19/2022



Peoria Ford Commercial Fleet | 17338 N. 92nd Ave. Peoria Arizona | 85382

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**2022 F-150 4x2 Regular Cab 6.5' box 122" WB XL (F1C)**

Price Level: 225 | Quote ID: F150STATE

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## Warranty

### Standard Warranty

*Basic*

Distance ..... 36,000 miles      Months ..... 36 months

*Powertrain*

Distance ..... 60,000 miles      Months ..... 60 months

*Corrosion Perforation*

Distance ..... Unlimited miles      Months ..... 60 months

*Roadside Assistance*

Distance ..... 60,000 miles      Months ..... 60 months

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Stacy Saltzburg, City Clerk  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024



---

**TITLE:**

**Consideration and Approval of Council Meeting Schedule Adjustment:** Reschedule the August 27, 2024 regular meeting to August 26, 2024.

**STAFF RECOMMENDED ACTION:**

Reschedule the Tuesday, August 27, 2024 meeting to Monday, August 26, 2024.

**Executive Summary:**

Tuesday, August 27, 2024 coincides with the 2024 Arizona League of Cities and Towns Annual Conference and a number of Councilmembers are planning to attend. Staff recommends rescheduling the Tuesday meeting to Monday to accommodate the League Conference and adhere to the requirements within the City Charter.

**Flagstaff City Charter Article II, Section 12 - COUNCIL MEETINGS**

The Council shall meet regularly at such times and at such places as shall be prescribed by its rules, but not less frequently than once each month. All meetings of the Council shall be open to the public. No change shall be made in regular meeting times or place without a published seven day notice. City Council Rules of Procedure Rule 3.01 - Regular Meetings The City Council shall hold regular meetings at 3:00 p.m. on the first and third Tuesday of January, February, March, April, May, June, September, October, November, and December, and on the first Tuesday of July and third or fourth Tuesday of August unless a majority of the Council decides to postpone or cancel such meeting. No change shall be made in regular meeting times or place without a published seven day notice.

If the day fixed for any regular meeting of the Council falls upon a day which the City observes as a legal holiday, the meeting may be canceled or held at a time and date designated by the Council.

**Financial Impact:**

None

**Policy Impact:**

None

**Previous Council Decision or Community Discussion:**

None

**Options and Alternatives to Recommended Action:**

The Council could choose to not reschedule the meeting of August 27, 2024.

**Connection to PBB Priorities and Objectives:**

High Performing Governance



**Connection to Regional Plan:**

None

**Connection to Carbon Neutrality Plan:**

None

**Connection to 10-Year Housing Plan:**

None

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**Attachments:**

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Stacy Saltzburg, City Clerk  
**Date:** 05/29/2024  
**Meeting Date:** 06/04/2024



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**TITLE:**

**Consideration and Approval of Letter of Support:** Letter of Support to advance the Northeastern Arizona Indian Water Rights Settlement Act

**STAFF RECOMMENDED ACTION:**

Approve the Letter of Support

**Executive Summary:**

Participating parties are prepared to advance the Northeastern Arizona Indian Water Rights Settlement Act (NAIWRSA). Council approval of this letter of support will allow the Mayor to send a formal letter indicating Flagstaff's support for the NAIWRSA which will further delineate Flagstaff's future water resources. Formal consideration of the Settlement Agreement itself will be taken up at a Council meeting to be scheduled in the near future.

**Financial Impact:**

None

**Policy Impact:**

None

**Previous Council Decision or Community Discussion:**

None

**Options and Alternatives to Recommended Action:**

Not approve the Letter of Support.

**Connection to PBB Priorities and Objectives:**

High Performing Governance

**Connection to Regional Plan:**

None

**Connection to Carbon Neutrality Plan:**

None

**Connection to 10-Year Housing Plan:**

None

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**Attachments:** NAWRISA Letter of Support





June 4, 2024

The Honorable Senator Kyrsten Sinema  
317 Hart Senate Office Building  
Washington, DC 20510

The Honorable Senator Mark Kelly  
516 Hart Senate Office Building  
Washington, DC 20510

The Honorable Eli Crane  
1229 Longworth House Office Building  
Washington, DC 20515

The Honorable David Schweikert  
460 Cannon House Office Building  
Washington, DC 20515

The Honorable Ruben Gallego  
1114 Longworth House Office Building  
Washington, DC 20515

The Honorable Greg Stanton  
207 Cannon House Office Building  
Washington, DC 20515

The Honorable Andy Biggs  
252 Cannon House Office Building  
Washington, DC 20515

The Honorable Juan Ciscomani  
1429 Longworth House Office Building  
Washington, DC 20515

The Honorable Raul Grijalva  
1203 Longworth House Office Building  
Washington, DC 20515

The Honorable Debbie Lesko  
1214 Longworth House Office Building  
Washington, DC 20515

The Honorable Paul Gosar, DDS  
2057 Rayburn House Office Building  
Washington, DC 20515

**Re: City of Flagstaff Letter of Support for Proposed Northeastern Arizona Indian Water Rights Settlement Act of 2024**

Dear Senators Sinema and Kelly, and Representatives Crane, Schweikert, Gallego, Stanton, Biggs, Ciscomani, Grijalva, Lesko and Gosar:

As Mayor of the City of Flagstaff, I strongly support the Northeastern Arizona Indian Water Rights Settlement Act (“Act”). On June 3, 2024, City Attorney, Sterling Solomon, along with representatives of other parties to the settlement negotiations, executed a joint letter in support of the Northeastern Arizona Indian Water Rights Settlement Agreement and the proposed legislation. Naturally, the Flagstaff City Council must still conduct a final review of the Settlement Agreement with exhibits, as well as the proposed legislation, and make an independent decision at a future



date. However, in the meantime, I want to share the City's strong support in advancing the proposed settlement legislation.

As you know, there is a critical need for regional water supply projects in Northeastern Arizona, not only for the Navajo Nation, the Hopi Tribe and the San Juan Southern Paiute Tribe, but also for the City of Flagstaff. With over 80,000 residents and more than 6 million visitors each year, Flagstaff continues to manage water wisely through conservation and maintains one of the lowest per person water usage rates in the State. Even with these laudable efforts, the reality of climate variability, wildfires and reduced local groundwater supplies, requires the City to address its pressing water resiliency and water security needs by developing its municipal water supply at Red Gap Ranch, a city-owned property located about 35-miles east of Flagstaff along Interstate 40.

Red Gap Ranch was acquired by the City with 71% voter approval in 2004. Since then, the City has invested millions of dollars in designing and developing this Regional Pipeline Project including drilling wells and conducting two detailed feasibility analysis reports with Jacobs Engineering. This Project is designed to deliver 16,000 acre-feet of water per year for the City's municipal needs, with the ability to provide water to customers such as the Navajo Nation, the Hopi Tribe, the Arizona State Land Department ("ASLD") and others at various Arizona Department of Transportation ("ADOT") connection points at intersections along the Interstate 40 corridor. These locations are currently being designed by Jacobs Engineering in cooperation with ADOT, and with anticipated further input from the ASLD, the Navajo Nation and the Hopi Tribe.

Although not identified in the Act, the Red Gap Ranch Regional Pipeline Project is specifically referenced in the Northeastern Arizona Water Rights Settlement Agreement. Indeed, under the Settlement Agreement, the Navajo Nation may connect to the Regional Pipeline Project to serve additional Navajo Lands at Twin Arrows, near Winona, or at locations that would support supplemental needs in the southwestern area of the Navajo Reservation or at Leupp. Also, under the Settlement Agreement, the Arizona State Land Department and the City will coordinate regarding future pumping on State Lands near Red Gap Ranch.

The City strongly supports federal funding for the requested water supply projects identified by the Navajo Nation, the Hopi Tribe and the San Juan Southern Paiute in the Act. These Tribal water supply projects are critically needed on their respective reservations and are long overdue. Economically viable Tribal communities depend on reliable water supplies. In addition to the Tribal water supply projects, it is imperative that Congress supports federal funding to complete the Red Gap Ranch Regional Pipeline Project. This Regional Pipeline Project is virtually shovel-ready, can be constructed within five (5) years, and the City is willing to meet the cost-share requirements. This Regional Pipeline Project will provide water security for Flagstaff and will



# CITY OF FLAGSTAFF

## FLAGSTAFF CITY COUNCIL

211 West Aspen Avenue, Flagstaff, Arizona 86001

Main Line: 928-213-2000

Website: <https://www.flagstaff.az.gov>

benefit other regional participants like the Navajo Nation, the Hopi Tribe, the Arizona State Land Department and other communities in Coconino County.

For details about the Red Gap Ranch Regional Pipeline Project, the status of its development and requested funding, please feel free to contact me directly.

Sincerely,

*Becky Daggett*

Mayor Becky Daggett, on behalf of the Flagstaff City Council

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Brandi Suda, Finance Director  
**Co-Submitter:** Heidi Derryberry  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024



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**TITLE:**

**Consideration and Adoption of Resolution No. 2024-25:** A resolution of the Council of the City of Flagstaff, Arizona adopting the tentative budget for Fiscal Year 2024-2025.

**STAFF RECOMMENDED ACTION:**

1. Read Resolution No. 2024-25 by title only
2. City Clerk reads Resolution No. 2024-25 by title only (if approved above)
3. Adopt Resolution No. 2024-25

**Executive Summary:**

Arizona Revised Statutes (Sections 42-17101, 42-17102, and 42-17105) require that each municipality adopt and publish, in a specified format, a tentative budget. The adoption of the tentative budget has the effect of establishing an amount that cannot be exceeded in the final adoption of the budget.

Furthermore, the adoption of the tentative budget sets into motion a legally mandated time sequence of actions to which the Council must adhere to adopt a final budget and to levy property taxes.

**Financial Impact:**

The tentative budget must be adopted to set the appropriate sequence of events in place for final budget adoption.

**Policy Impact:**

The Fiscal Year 2024-2025 budget is the guiding document for the financial plan of the City.

**Previous Council Decision or Community Discussion:**

- January Council Retreat on December 14, 2023
- February Budget Retreat on February 1, 2024 and February 2, 2024
- March Capital Improvement Budget Retreat on March 28, 2024
- Council Budget Work Session on April 25, 2024 and April 26, 2024

**Options and Alternatives to Recommended Action:**

The City may delay the tentative budget adoption until no later than the 3rd Monday in July. While the City would be able to continue operations through a Continuing Disclosure resolution, the City would not be able to commit to any expenditures directly related to the Fiscal Year 2024-2025 budget.

**Background and History:**

The budget is generally presented for tentative adoption in late May or early June to assure funding is

appropriated within Key Community Priorities and Objectives at the beginning of the fiscal year.

During the summer of 2023, staff engaged the community to confirm, revise or amend the objectives that help deliver our Key Community Priorities. In November 2023, Council approved the changes to the objectives. These priorities and objectives were used to develop the FY 2024-2025 proposed budget.

At the December 2023 budget retreat, staff presented several topics including budget introduction, fiscal policies, revenue updates, priority based budgeting, budget team focus for the budget and updates on recruitment and retention, consideration of new city holidays and election update. During the February 2024 budget retreat staff presented and received further direction from Council for the FY 2024-2025 proposed budget. Topics included priority based budgeting, revenue updates, fixed cost updates, compensation and benefits, resource allocations and priorities and resource needs. In March, we held a Capital Improvement Plan Budget Retreat to review and discuss all capital improvement plans for all funds of the City. Staff presented the 5-year plans and provided information such as funding resources, how they are developed, and some highlights of current projects. During the April 2024 budget work session, staff presented the City Manager's proposed budget and received Council direction. After the April budget work session, divisions provided revised year-end estimates and carryover of funding primarily for capital projects.

The adoption of the tentative budget sets into motion a legally mandated time sequence of actions to which the Council must adhere to adopt a final budget and to levy property taxes. If this time sequence is not met as required by statute, the tentative adoption, final adoption of the budget and property tax levy actions, and related publications must be started over.

The process is prescribed through the Arizona Revised Statutes. The tentative budget must be adopted no later than the 3rd Monday in July. The schedules for Council budget and property tax levy actions are as follows:

- June 4, 2024 - Tentative adoption of the budget by Council
- June 18, 2024 - Proposed budget and property tax levy public hearing
- June 18, 2024 - Final budget adoption (In a Special Meeting)
- June 18, 2024 - First reading of property tax ordinance
- July 2, 2024 - Final reading and adoption of the property tax ordinance

**Connection to PBB Priorities and Objectives:**

The adoption of the Annual Budget and Financial Plan provides Council direction and financial resources to support the Key Community Priorities and Objectives.

**Connection to Regional Plan:**

None.

**Connection to Carbon Neutrality Plan:**

The adoption of the Annual Budget and Financial Plan supports the Carbon Neutrality Plan by allocating financial resources the CNP goals.

**Connection to 10-Year Housing Plan:**

The adoption of the Annual Budget and Financial Plan supports the 10 Year Housing Plan by allocating financial resources to the plan's strategies.

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**Attachments:**    [Presentation](#)  
                          [Resolution No. 2024-25](#)  
                          [FY2024-25 Budget Forms](#)



# City of Flagstaff FY 2024-2025 Budget

June 4, 2024





# Timeline



- June 4th – Tentative Budget Adoption
  - Sets maximum appropriation
  - Sets in motion legal requirements for final adoption
- June 18th
  - Public hearing for budget and tax levy
  - Final budget adoption
  - First reading of property tax ordinance
- July 2nd – second reading and adoption of property tax ordinance



# Legal Schedule A

**Total  
FY 2024-2025  
Budget:  
\$579,432,772**

**\$39.7M (7.4%) increase  
over FY 2023-2024**

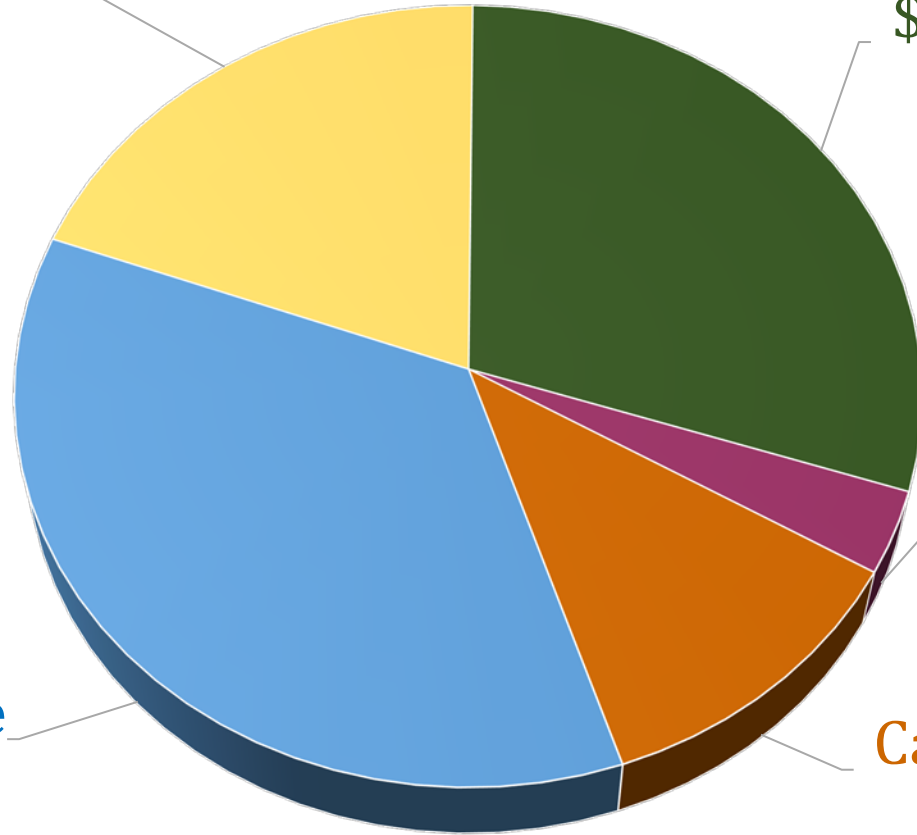
**General Fund  
\$113,568,260  
20%**

**Special  
Revenue Funds  
\$172,842,029  
30%**

**Debt Service  
Funds  
\$19,790,763  
3%**

**Enterprise  
Funds  
\$206,813,764  
36%**

**Capital Project  
Funds  
\$66,417,956  
11%**





# Highlights



- Compensation and benefits
- Priority Based Budgeting – Key Community Priorities and Objectives
- Basic services and operational needs
- Infrastructure needs
- Climate Neutrality Plan
- Housing 10 Year Plan
- Property tax – flat levy plus new construction



# Total Employee Investment

- ✓ Ongoing merit and pay for performance increases
- ✓ Starting Pay Adjustments
  - ✓ Starting wage \$18.50
  - ✓ Impacts 05R to 25R ranges and the related Temp Pay Plans as well as the Firefighter range
- ✓ Market adjustments to specific classifications across all pay plans
- ✓ Maintain ongoing market adjustment review
- ✓ Maintain cost share for all medical plans
- ✓ New holidays
- ✓ Add pays moving to hourly rate
- Total recommended compensation and benefits commitment: \$5.1 Million (includes employee related expenses)



# Changes Since April Retreat

- Capital Carryovers - \$116.2M
  - Transportation projects, Water Services projects and Fleet purchases
- Operational Carryovers - \$13.3M
  - Various studies, software and contracts
- Grant Carryovers - \$5.6M
  - Community Development Block Grants (CDBG), American Rescue Plan Act (ARPA), Sustainability Grants



# Additional Information

- The Tentative Budget Book will be available 6/5/2024 at the following locations:
  - City Website
  - City Clerk's Office
  - Available Upon Request
    - Heidi Derryberry ([hderryberry@flagstaffaz.gov](mailto:hderryberry@flagstaffaz.gov))
    - Brandi Suda ([bsuda@flagstaffaz.gov](mailto:bsuda@flagstaffaz.gov))
- Published in Arizona Daily Sun 6/6 and 6/13
- Questions Regarding Budget
  - Brandi Suda, Finance Director, [bsuda@flagstaffaz.gov](mailto:bsuda@flagstaffaz.gov), (928)-213-2217

# Questions





**RESOLUTION NO. 2024-25**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA  
ADOPTING THE TENTATIVE BUDGET FOR THE FISCAL YEAR 2024-2025**

**RECITALS:**

WHEREAS in accordance with the provisions of A.R.S. Title 42, Chapter 17, Articles 1 - 5, the City Council did, on June 4, 2024, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property within the City of Flagstaff; and

WHEREAS in accordance with said sections of said Title, and following due public notice, the Council met on June 4, 2024, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies; and

WHEREAS it appears that publication has been duly made as required by law, of said estimates together with a notice that the City Council would meet on June 18, 2024, in the City Council Chambers at City Hall for the purpose of hearing taxpayers and making tax levies as set forth in said estimates; and

WHEREAS it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate amounts exceed that amount as computed in A.R.S. 42-17051 (A).

**ENACTMENTS:**

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:**

SECTION 1. That the accompanying statements and exhibits attached to this Resolution as Schedules A, B, C, D, E, F and G are incorporated herein by this reference, and are hereby adopted as the tentative budget for the City of Flagstaff for the fiscal year 2024-2025.

SECTION 2. That the City Clerk be, and she hereby is, authorized and directed to publish in the manner prescribed by law the estimates of expenditures as set forth in Schedules A, B, C, D, E, F, and G together with a notice that the Council will meet on June 18, 2024, for the purpose of final hearing of taxpayers and for adoption of the 2024-2025 Annual Budget for the City of Flagstaff with the final reading and adoption of the property tax ordinance on the 2nd day of July, 2024, at 3:00 p.m.

SECTION 3. Upon the recommendation by the Manager and with the approval of the Council, expenditures may be made from the appropriation for contingencies. The transfers of any sums within any specific appropriation may be made only upon the approval of the Council.

SECTION 4. Money from any fund may be used for any of these appropriations, except money specifically restricted by State Law or by City Ordinance or Resolution.

SECTION 5. Effective Date.

This resolution shall be immediately effective upon adoption.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 4th day of June, 2024.

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MAYOR

ATTEST:

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CITY CLERK

APPROVED AS TO FORM:

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CITY ATTORNEY

Exhibits:

- Schedule A – Summary schedule of Estimated Revenues and Expenditures/Expenses
- Schedule B – Tax Levy and Tax Rate Information
- Schedule C – Revenues Other Than Property Taxes
- Schedule D – Other Financing Sources/(Uses) and Interfund Transfers
- Schedule E – Expenditures/Expenses by Fund
- Schedule F – Expenditures/Expenses by Division (as applicable)
- Schedule G – Full-Time Employees and Personnel Compensation

**Official Budget Forms**  
**City of Flagstaff**  
**Fiscal Year 2024-2025**

**City of Flagstaff**  
**Table of Contents**  
**Fiscal Year 2024-2025**

Resolution for the Adoption of the Budget

Schedule A - Summary Schedule of Estimated Revenues and Expenditures/Expenses

Schedule B - Tax Levy and Tax Rate Information

Schedule C - Revenues Other Than Property Taxes

Schedule D - Other Financing Sources/(Uses) and Interfund Transfers

Schedule E - Expenditures/Expenses by Fund

Schedule F - Expenditures/Expenses by Division

Schedule G - Full-Time Employees and Personnel Compensation

City of Flagstaff  
 Summary Schedule of Estimated Revenues and Expenditures/Expenses  
 Fiscal Year 2024-2025

The final opportunity for public input on the City of Flagstaff Fiscal Year 2024-2025 budget will occur on June 18, 2024 at the 3:00 PM City Council meeting  
 The budget may be reviewed at the City of Flagstaff in the City Clerks Office, 211 West Aspen Avenue, Flagstaff, AZ 86001  
 or the official website "flagstaff.az.gov" or by request

Fiscal Year	S c h	Funds							Total All Funds	
		General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Permanent Fund	Enterprise Funds	Internal Service Funds		
2024	E	Adopted/ Adjusted Budgeted Expenditures/Expenses*	121,529,793	152,815,463	17,500,376	49,108,067	0	199,934,096	0	540,887,795
2024	E	Actual Expenditures/Expenses**	93,637,251	71,225,234	14,309,013	10,887,267	0	97,435,299	0	287,494,064
2025		Beginning Fund Balance/(Deficit) or Net Position/(Deficit) at July 1***	79,090,423	124,099,487	26,481,982	4,009,295	438,008	96,666,526	0	330,785,721
2025	B	Primary Property Tax Levy	7,230,877	0	0	0		0	0	7,230,877
2025	B	Secondary Property Tax Levy	0	0	9,091,154	0		0	0	9,091,154
2025	C	Estimated Revenues Other than Property Taxes	82,709,881	79,677,993	265,000	16,531,786	19,460	143,783,811	0	322,987,931
2025	D	Other Financing Sources	0	18,800,000	0	32,832,035	0	19,000,000	0	70,632,035
2025	D	Other Financing (Uses)	0	0	0	0	0	0	0	0
2025	D	Interfund Transfers In	4,553,670	14,773,821	19,790,763	13,044,840	0	3,745,769	0	55,908,863
2025	D	Interfund Transfers (Out)	17,483,252	22,388,300	11,085,460	0	0	4,951,851	0	55,908,863
2025		Line 11: Reduction for Fund Balance Reserved for Future Budget Year Expenditures								
Less:		Maintained for Future Debt Retirement								0
		Maintained for Future Capital Projects								0
		Maintained for Future Financial Stability								0
		Maintained for Future Retirement Contributions								0
2025		Total Financial Resources Available	156,101,599	214,963,001	44,543,439	66,417,956	457,468	258,244,255	0	740,727,718
2025	E	Budgeted Expenditures/Expenses	113,568,260	172,842,029	19,790,763	66,417,956	0	206,813,764	0	579,432,772

Expenditure Limitation Comparison

1. Budgeted Expenditures/Expenses
2. Add/Subtract: Estimated Net Reconciling Items
3. Budgeted Expenditures/Expenses Adjusted for Reconciling Items
4. Less: Estimated Exclusions
5. Amount Subject to the Expenditure Limitation
6. EEC Expenditure Limitation

	2024	2025
1.	\$ 539,705,762	\$ 579,432,772
2.	0	0
3.	539,705,762	579,432,772
4.	308,700,082	337,738,251
5.	\$ 231,005,680	\$ 241,694,521
6.	\$ 231,868,073	\$ 242,261,037

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

\* Includes expenditure/expense adjustments approved in the current year from Schedule E.  
 \*\* Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.  
 \*\*\* Amounts on this line represent beginning fund balance/(deficit) or net position/(deficit) amounts except for nonspendable amounts (e.g., prepaids and inventories) or amounts legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

City of Flagstaff  
Tax Levy and Tax Rate Information  
Fiscal Year 2024-2025

	2023-2024	2024-2025
1. Maximum Allowable Primary Property Tax Levy [ARS 42-17051.A]	\$ 7,748,837	\$ 7,983,170
2. Amount Received from Primary Property Taxation in FY 2023-2024 in Excess of the Sum of that Year's Maximum Allowable Primary Property Tax Levy [ARS 42-17102.A.18]	\$ -	
3. Property Tax Levy Amounts		
A. Primary Property Taxes	\$ 7,159,580	\$ 7,230,877
B. Secondary Property Taxes	8,633,802	9,091,154
C. Total Property Tax Levy Amount	\$ 15,793,382	\$ 16,322,031
4. Property Taxes Collected *		
A. Primary Property Taxes		
(1) FY 2023-2024 Levy	\$ 7,059,580	
(2) Prior Years' Levies	100,000	
(3) Total Primary Property Taxes	\$ 7,159,580	
B. Secondary Property Taxes		
(1) FY 2023-2024 Levy	\$ 8,633,802	
(2) Total Secondary Property Taxes	\$ 8,633,802	
C. Total Property Taxes Collected	\$ 15,793,382	
5. Property Tax Rates		
A. City of Flagstaff Tax Rate		
(1) Primary Property Tax Rate	0.6634	0.6363
(2) Secondary Property Tax Rate	0.8000	0.8000
(3) Total City of Flagstaff Tax Rate	1.4634	1.4363

B. Special Assessment District Tax Rates  
As of the date of the proposed budget, the City has no special assessment district for which secondary property taxes are levied.

\* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

City of Flagstaff  
Revenues Other Than Property Taxes  
Fiscal Year 2024-2025

Source of Revenues	Actual Revenues 2022-2023	Budgeted Revenues 2023-2024	Estimated Revenues* 2023-2024	Budgeted Revenues 2024-2025
<b>General Fund</b>				
Local Taxes				
City Sales Tax	\$ 30,115,183	29,387,300	29,870,000	30,947,900
Franchise Tax	2,448,202	2,342,200	2,448,000	2,472,500
Excise Tax	557,552	459,000	540,000	550,800
Licenses and Permits				
Business Licenses	31,219	30,000	30,000	30,000
Building Permits	1,691,652	1,862,000	2,200,000	1,862,000
Other Licenses and Permits	2,099,089	1,157,885	1,242,076	1,238,395
Intergovernmental				
State Income Tax Sharing	14,604,933	20,227,300	20,115,000	15,996,000
State Shared Sales Tax	11,380,585	10,780,000	11,400,000	11,628,000
Auto Lieu Tax	4,331,329	3,977,000	4,300,000	4,343,000
Federal Grants	851,181	23,697,660	7,540,478	2,850,275
State/Local Grants	1,280,202	2,731,152	1,719,425	1,934,098
Local Intergovernmental Agreements	1,361,716	1,226,218	1,287,656	1,316,218
Charges for Services				
Community Development	1,477,996	745,000	870,000	745,000
Parks and Recreation	1,212,018	1,622,870	1,622,870	1,622,870
Public Safety	589,609	754,457	727,575	730,511
Cemetery/General Government	234,242	188,403	229,248	189,631
Fines and Forfeits	747,456	795,005	803,836	821,973
Rents	1,181,957	1,655,136	973,131	1,655,709
Investment Earnings	1,957,868	434,234	1,976,578	1,013,489
Miscellaneous	414,640	781,113	(44,692)	761,512
Total General Fund	78,568,629	104,853,933	89,851,181	82,709,881
<b>Special Revenue Funds</b>				
Housing and Community Services Fund				
Intergovernmental				
Federal Grants	61,041	1,511,134	605,183	1,704,946
State Grants	-	780,000	840,000	780,000
Investment Earnings	61,291	20,639	28,347	28,914
Miscellaneous	337,493	-	185,555	-
Total Housing and Comm Svcs Fund	459,825	2,311,773	1,659,085	2,513,860
COVID Relief Fund				
Intergovernmental				
Federal Grants	338,108	2,733,607	604,806	2,091,210
Total COVID Relief Fund	338,108	2,733,607	604,806	2,091,210

City of Flagstaff  
Revenues Other Than Property Taxes  
Fiscal Year 2024-2025

Source of Revenues	Actual Revenues 2022-2023	Budgeted Revenues 2023-2024	Estimated Revenues* 2023-2024	Budgeted Revenues 2024-2025
<b>Library Fund</b>				
Intergovernmental				
Federal Grants	\$ 33,388	75,000	75,000	-
State/Local Grants	42,764	-	-	50,000
Library District Taxes	4,301,218	4,081,723	4,290,225	4,484,037
Miscellaneous	109,951	39,926	136,714	34,299
Investment Earnings	72,921	41,000	26,577	26,843
Total Library Fund	<u>4,560,242</u>	<u>4,237,649</u>	<u>4,528,516</u>	<u>4,595,179</u>
<b>Highway User Revenue Fund</b>				
Intergovernmental				
Highway User Tax	9,540,729	9,212,000	9,940,729	10,040,136
Licenses and Permits	221,768	-	-	-
Investment Earnings	305,731	139,000	456,338	197,000
Miscellaneous	1,736,691	1,690,000	377,374	-
Total Highway User Revenue Fund	<u>11,804,919</u>	<u>11,041,000</u>	<u>10,774,441</u>	<u>10,237,136</u>
<b>Transportation Fund</b>				
Transportation Tax	36,123,898	35,109,300	36,854,474	37,274,400
Intergovernmental				
Federal Grants	-	16,437,624	2,537,624	1,100,000
Investment Earnings	1,804,721	238,000	2,748,639	1,662,000
Miscellaneous	2,459,479	183,689	546,458	724,441
Total Transportation Fund	<u>40,388,098</u>	<u>51,968,613</u>	<u>42,687,195</u>	<u>40,760,841</u>
<b>Beautification Fund</b>				
BBB Tax	2,427,378	2,308,900	2,452,000	2,498,000
Investment Earnings	256,174	91,000	355,502	203,000
Miscellaneous	1,040	-	-	-
Total Beautification Fund	<u>2,684,592</u>	<u>2,399,900</u>	<u>2,807,502</u>	<u>2,701,000</u>
<b>Economic Development Fund</b>				
BBB Tax	1,153,914	1,096,700	1,164,700	1,186,600
Investment Earnings	37,949	10,557	40,346	19,809
Rents	447,547	426,562	400,136	412,769
Miscellaneous	17,140	-	7,764	-
Total Economic Development Fund	<u>1,656,550</u>	<u>1,533,819</u>	<u>1,612,946</u>	<u>1,619,178</u>
<b>Tourism Fund</b>				
BBB Tax	3,643,666	3,463,300	3,678,000	3,747,100
Intergovernmental				
Federal Grants	224,068	389,000	127,306	-
Retail Sales	79,073	127,098	127,098	128,369
Investment Earnings	83,689	15,255	116,407	68,489



City of Flagstaff  
Revenues Other Than Property Taxes  
Fiscal Year 2024-2025

Source of Revenues	Actual Revenues 2022-2023	Budgeted Revenues 2023-2024	Estimated Revenues* 2023-2024	Budgeted Revenues 2024-2025
<b>Tourism Fund - Continued</b>				
Miscellaneous	\$ 14,898	16,348	16,348	16,511
<b>Total Tourism Fund</b>	<b>4,045,394</b>	<b>4,011,001</b>	<b>4,065,159</b>	<b>3,960,469</b>
<b>Arts and Science Fund</b>				
BBB Tax	909,618	865,800	919,500	936,800
Investment Earnings	34,521	15,000	54,874	28,000
<b>Total Arts and Science Fund</b>	<b>944,139</b>	<b>880,800</b>	<b>974,374</b>	<b>964,800</b>
<b>Recreation Fund</b>				
BBB Tax	4,007,513	3,809,700	4,045,800	4,121,800
Intergovernmental				
State Grants	-	200,000	200,000	350,000
Investment Earnings	105,784	46,000	186,936	76,000
<b>Total Recreation Fund</b>	<b>4,113,297</b>	<b>4,055,700</b>	<b>4,432,736</b>	<b>4,547,800</b>
<b>Parking District Fund</b>				
Parking	1,191,915	1,250,175	1,243,542	1,268,023
Investment Earnings	48,536	18,900	64,150	45,500
Miscellaneous	72,042	-	418	-
<b>Total Parking District Fund</b>	<b>1,312,493</b>	<b>1,269,075</b>	<b>1,308,110</b>	<b>1,313,523</b>
<b>Water Resource and Infrastructure Protection (WRIP) Fund</b>				
Water Resource Protection Fee	1,186,818	1,290,154	1,251,147	1,263,658
Intergovernmental				
Federal Grants	17,536	-	-	2,654,200
State/Local Grants	3,000	-	-	423,000
Investment Earnings	35,253	13,000	52,469	32,139
<b>Total WRIP Fund</b>	<b>1,242,607</b>	<b>1,303,154</b>	<b>1,303,616</b>	<b>4,372,997</b>
<b>Total Special Revenue Funds</b>	<b>73,550,264</b>	<b>87,746,091</b>	<b>76,758,486</b>	<b>79,677,993</b>
<b>Debt Service Funds</b>				
<b>Secondary Property Tax Fund</b>				
Investment Earnings	79,165	38,000	116,249	109,000
<b>Total Secondary Property Tax Fund</b>	<b>79,165</b>	<b>38,000</b>	<b>116,249</b>	<b>109,000</b>
<b>Pension Debt Service Fund</b>				
Investment Earnings	539,005	146,000	815,441	156,000
<b>Total Pension Debt Service Fund</b>	<b>539,005</b>	<b>146,000</b>	<b>815,441</b>	<b>156,000</b>
<b>Total Debt Service Funds</b>	<b>618,170</b>	<b>184,000</b>	<b>931,690</b>	<b>265,000</b>

City of Flagstaff  
Revenues Other Than Property Taxes  
Fiscal Year 2024-2025

Source of Revenues	Actual Revenues 2022-2023	Budgeted Revenues 2023-2024	Estimated Revenues* 2023-2024	Budgeted Revenues 2024-2025
<b>Permanent Funds</b>				
<b>Perpetual Care Fund</b>				
Contributions	\$ 12,030	10,490	10,280	10,700
Investment Earnings	10,180	4,053	14,546	8,760
<b>Total Perpetual Care Fund</b>	<b>22,210</b>	<b>14,543</b>	<b>24,826</b>	<b>19,460</b>
<b>Total Permanent Funds</b>	<b>22,210</b>	<b>14,543</b>	<b>24,826</b>	<b>19,460</b>
<b>Capital Project Funds</b>				
<b>Non GO Bonds Projects Fund</b>				
Real Estate Proceeds	-	2,000,000	-	2,000,000
Intergovernmental				
Federal Grants	153,408	570,212	236,979	4,688,760
State Grants	-	52,700	-	423,304
Investment Earnings	909	-	-	19,000
Miscellaneous	-	193,233	-	1,552,114
<b>Total Non GO Bonds Projects Fund</b>	<b>154,317</b>	<b>2,816,145</b>	<b>236,979</b>	<b>8,683,178</b>
<b>GO Bonds Projects Fund</b>				
Intergovernmental				
Federal Grants	-	1,572,305	1,520,165	7,727,233
State Grants	28,229	121,375	-	121,375
Investment Earnings	81,807	-	116,635	-
<b>Total GO Bonds Projects Fund</b>	<b>110,036</b>	<b>1,693,680</b>	<b>1,636,800</b>	<b>7,848,608</b>
<b>Total Capital Projects Funds</b>	<b>264,353</b>	<b>4,509,825</b>	<b>1,873,779</b>	<b>16,531,786</b>
<b>Enterprise Funds</b>				
<b>Drinking Water Fund</b>				
Intergovernmental				
Federal Grants	-	3,294,679	-	750,000
State Grants	699,650	8,553,788	4,290,653	12,135,357
Water Fees	18,228,944	18,922,907	21,153,851	23,162,980
Investment Earnings	712,018	240,813	910,440	468,288
Rents	35,204	5,150	20,000	5,150
Miscellaneous	1,437,968	-	6,370	-
<b>Total Drinking Water Fund</b>	<b>21,113,784</b>	<b>31,017,337</b>	<b>26,381,314</b>	<b>36,521,775</b>
<b>Wastewater Fund</b>				
Intergovernmental				
Wastewater Fees	11,465,882	11,835,133	13,736,115	13,542,735
Investment Earnings	660,942	280,000	964,848	640,000

City of Flagstaff  
Revenues Other Than Property Taxes  
Fiscal Year 2024-2025

Source of Revenues	Actual Revenues 2022-2023	Budgeted Revenues 2023-2024	Estimated Revenues* 2023-2024	Budgeted Revenues 2024-2025
<b>Wastewater Fund - Continued</b>				
Miscellaneous	\$ 160,600	-	-	-
Total Wastewater Fund	12,287,424	12,115,133	14,700,963	14,182,735
<b>Reclaimed Water Fund</b>				
Reclaimed Water Fees	881,884	1,021,539	1,201,000	1,141,919
Investment Earnings	79,451	33,585	125,354	76,140
Total Reclaimed Water Fund	961,335	1,055,124	1,326,354	1,218,059
<b>Stormwater Fund</b>				
Intergovernmental				
Federal Grants	1,815,694	111,452	553,407	549,383
State Grants	1,379,734	5,272,589	2,030,146	7,951,979
Stormwater Fees	4,694,775	5,285,890	5,500,803	6,216,135
Investment Earnings	-	94,605	227,290	180,956
Miscellaneous	166,176	-	-	650,000
Total Stormwater Fund	8,056,379	10,764,536	8,311,646	15,548,453
<b>Solid Waste Fund</b>				
Solid Waste	14,079,747	14,546,081	14,346,355	14,630,761
Intergovernmental	-	-	2,440,000	-
Investment Earnings	778,804	294,563	878,280	439,000
Miscellaneous	3,126	-	-	9,000
Total Solid Waste Fund	14,861,677	14,840,644	17,664,635	15,078,761
<b>Sustainability and Environmental Management Fund</b>				
Intergovernmental				
Federal Grants	-	7,000,018	5,023,479	17,424,969
State Grants	2,500	733,000	733,000	347,500
Environmental Services	1,212,211	1,286,587	1,292,503	1,324,795
Investment Earnings	64,866	21,000	72,908	38,000
Charges for Services	-	-	-	30,000
Miscellaneous	1,269	-	-	-
Total Sustainability and Env Mgmt Fund	1,280,846	9,040,605	7,121,890	19,165,264
<b>Airport Fund</b>				
Intergovernmental				
Federal Grants	4,437,297	20,864,053	9,727,574	18,897,220
State Grants	211,319	3,967,154	45,959	6,297,294
Airport	1,162,156	1,573,020	1,166,310	1,533,510
Rents	912,946	985,534	911,019	898,747
Parking	7	893,520	551,578	562,610
Investment Earnings	32,024	14,000	44,369	38,000
Miscellaneous	(19,654)	1,000	23,357	26,000
Total Airport Fund	6,736,095	28,298,281	12,470,166	28,253,381

City of Flagstaff  
 Revenues Other Than Property Taxes  
 Fiscal Year 2024-2025

Source of Revenues	Actual Revenues 2022-2023	Budgeted Revenues 2023-2024	Estimated Revenues* 2023-2024	Budgeted Revenues 2024-2025
Flagstaff Housing Authority Fund				
Intergovernmental				
Federal Grants	\$ 7,067,035	10,339,071	9,337,821	11,184,337
Rents and Other Tenant Income	1,715,691	1,700,000	1,700,000	1,750,000
Miscellaneous	839,548	707,093	707,093	881,046
Total Flagstaff Housing Authority Fund	<u>9,622,274</u>	<u>12,746,164</u>	<u>11,744,914</u>	<u>13,815,383</u>
Total Enterprise Funds	<u>74,919,814</u>	<u>119,877,824</u>	<u>99,721,882</u>	<u>143,783,811</u>
Total Revenues	<u>\$ 227,943,440</u>	<u>317,186,216</u>	<u>269,161,844</u>	<u>322,987,931</u>

\* Includes actual revenues recognized on the modified accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

City of Flagstaff  
Other Financing Sources/ (Uses) and Interfund Transfers  
Fiscal Year 2024-2025

Fund	Other Financing 2024-2025	Interfund Transfers 2024-2025	
	Sources	In	(Out)
General Fund	\$ -	4,553,670	17,483,252
Special Revenue Funds			
Housing and Community Services	-	1,600,000	-
Library	-	3,016,491	24,192
Highway User Revenue	-	9,879,044	13,000
Transportation	18,800,000	-	18,297,723
Beautification	-	-	436,526
Economic Development	-	256,847	217,300
Tourism	-	21,439	651,264
Recreation	-	-	2,574,189
Water Resource and Infrastructure Protection	-	-	174,106
Total Special Revenue Funds	<u>18,800,000</u>	<u>14,773,821</u>	<u>22,388,300</u>
Debt Service Funds			
General Obligation Bonds	-	11,085,460	-
Secondary Property Tax	-	-	11,085,460
Pension Debt Service	-	8,705,303	-
Total Debt Service Funds	<u>-</u>	<u>19,790,763</u>	<u>11,085,460</u>
Capital Project Funds			
Non General Obligation Bond Funded Projects	-	6,533,435	-
General Obligation Bond Funded Projects	32,832,035	6,511,405	-
Total Capital Projects Funds	<u>32,832,035</u>	<u>13,044,840</u>	<u>-</u>
Enterprise Funds			
Drinking Water	3,000,000	2,170,785	771,234
Wastewater	-	38,270	2,246,018
Reclaimed Water	-	-	140,352
Stormwater	16,000,000	-	1,281,012
Solid Waste	-	126,570	188,692
Sustainability and Environmental Management	-	1,008,719	63,384
Airport	-	401,425	261,159
Total Enterprise Funds	<u>19,000,000</u>	<u>3,745,769</u>	<u>4,951,851</u>
Total All Funds	<u>\$ 70,632,035</u>	<u>55,908,863</u>	<u>55,908,863</u>

City of Flagstaff  
Expenditures/Expenses by Fund  
Fiscal Year 2024-2025

Fund/Division	Actual Expenditures/ Expenses 2022-2023	Adopted Budgeted Expenditures/ Expenses 2023-2024	Expenditure/ Expense Adjustments Approved 2023-2024	Estimated Expenditures/ Expenses* 2023-2024	Budgeted Expenditures/ Expenses 2024-2025
<b>General Fund</b>					
General Administration	\$ 14,207,174	34,022,130	-	17,178,620	19,633,599
Management Services	4,689,190	6,797,338	-	6,045,798	6,886,150
Fire	14,473,138	28,781,201	-	21,978,200	22,176,319
Police	22,437,055	26,722,092	-	25,176,728	27,855,509
Community Development	4,408,903	5,317,967	-	4,795,989	5,525,601
Public Works	2,655,936	6,401,503	-	4,107,507	9,436,602
Economic Vitality	125,206	301,875	-	196,875	253,451
Non-Departmental	(2,283,616)	9,264,987	-	(556,706)	5,544,170
City Engineering	1,676,642	2,360,781	-	2,335,749	2,354,908
Parks, Recreation, Open Space & Events	8,467,444	12,536,253	-	9,839,491	11,387,951
Contingency	(18,103)	4,204,060	(1,100,000)	2,539,000	2,514,000
Total General Fund	70,838,969	136,710,187	(1,100,000)	93,637,251	113,568,260
<b>Special Revenue Funds</b>					
<b>Housing and Community Service Fund</b>					
Community Development	818,527	4,470,328	1,100,000	2,175,252	5,802,036
Non-Departmental	16,709	52,000	-	52,000	51,500
	835,236	4,522,328	1,100,000	2,227,252	5,853,536
<b>COVID Relief Fund</b>					
Non-Departmental	338,108	2,733,607	-	604,806	2,091,210
	338,108	2,733,607	-	604,806	2,091,210
<b>Library Fund</b>					
General Administration	280,520	328,134	-	328,134	357,049
Management Services	151,324	151,562	-	151,562	157,923
Public Works	28,892	37,541	-	37,541	62,997
Economic Vitality	5,655,128	6,669,069	-	6,172,737	8,404,439
Non-Departmental	74,008	70,981	-	70,981	68,663
Contingency	-	100,000	-	-	100,000
	6,189,872	7,357,287	-	6,760,955	9,151,071
<b>Highway User Revenue Fund</b>					
General Administration	409,111	376,704	-	376,704	369,439
Management Services	80,664	82,011	-	82,011	83,927
Public Works	6,856,570	17,260,297	-	12,897,131	12,219,573
Non-Departmental	202,761	182,781	-	182,781	76,672
City Engineering	7,850,748	11,303,541	-	7,422,596	10,293,512
Contingency	-	100,000	-	-	100,000
	15,399,854	29,305,334	-	20,961,223	23,143,123
<b>Transportation Fund</b>					
General Administration	51,325	56,447	-	56,447	90,231
Management Services	98,601	77,553	-	77,553	114,989
Public Works	4,097,136	7,511,127	-	4,650,818	11,043,115
Non-Departmental	7,963,504	16,886,537	-	10,253,262	16,552,143
City Engineering	11,371,479	65,480,023	-	12,931,477	81,790,356
	23,582,045	90,011,687	-	27,969,557	109,590,834
<b>Beautification Fund</b>					
Economic Vitality	2,046,925	3,767,996	-	1,925,818	5,559,192
Contingency	-	10,000	-	-	10,000
	2,046,925	3,777,996	-	1,925,818	5,569,192

City of Flagstaff  
Expenditures/Expenses by Fund  
Fiscal Year 2024-2025

Fund/Division	Actual Expenditures/ Expenses 2022-2023	Adopted Budgeted Expenses 2023-2024	Expenditure/ Expense Adjustments Approved 2023-2024	Estimated Expenditures/ Expenses* 2023-2024	Budgeted Expenditures/ Expenses 2024-2025
<b>Economic Development Fund</b>					
Economic Vitality	\$ 1,421,392	2,211,241	-	1,622,398	2,415,093
Contingency	6,527	45,000	-	-	45,000
	<u>1,427,919</u>	<u>2,256,241</u>	<u>-</u>	<u>1,622,398</u>	<u>2,460,093</u>
<b>Tourism Fund</b>					
Economic Vitality	3,292,670	4,052,041	-	3,645,347	4,462,332
Contingency	-	175,000	-	-	175,000
	<u>3,292,670</u>	<u>4,227,041</u>	<u>-</u>	<u>3,645,347</u>	<u>4,637,332</u>
<b>Arts and Science Fund</b>					
Economic Vitality	643,585	1,236,443	-	1,121,443	1,286,551
Contingency	-	10,000	-	-	10,000
	<u>643,585</u>	<u>1,246,443</u>	<u>-</u>	<u>1,121,443</u>	<u>1,296,551</u>
<b>Recreation Fund</b>					
Parks, Recreation, Open Space & Events	143,256	2,270,947	-	2,260,547	2,520,400
	<u>143,256</u>	<u>2,270,947</u>	<u>-</u>	<u>2,260,547</u>	<u>2,520,400</u>
<b>Parking District Fund</b>					
General Administration	39,437	46,293	-	46,293	55,820
Management Services	13,601	12,031	-	12,031	11,793
Public Works	420	414	-	414	302
Economic Vitality	790,126	2,212,836	-	1,097,836	2,280,174
Non-Departmental	8,419	9,327	-	9,327	6,957
Contingency	-	30,000	-	-	30,000
	<u>852,003</u>	<u>2,310,901</u>	<u>-</u>	<u>1,165,901</u>	<u>2,385,046</u>
<b>Water Resource and Infrastructure Protection Fund</b>					
General Administration	58,268	61,444	-	61,444	72,709
Management Services	10,945	13,705	-	13,705	9,986
Fire	643,788	973,122	-	873,122	4,048,089
Public Works	3,208	3,249	-	3,249	4,194
Non-Departmental	6,547	8,467	-	8,467	8,663
	<u>722,756</u>	<u>1,059,987</u>	<u>-</u>	<u>959,987</u>	<u>4,143,641</u>
<b>Total Special Revenue Funds</b>	<u>55,474,229</u>	<u>151,079,799</u>	<u>1,100,000</u>	<u>71,225,234</u>	<u>172,842,029</u>
<b>Debt Service Funds</b>					
<b>General Obligation Bonds Fund</b>					
Non-Departmental	7,406,790	5,602,333	-	5,602,333	11,085,460
	<u>7,406,790</u>	<u>5,602,333</u>	<u>-</u>	<u>5,602,333</u>	<u>11,085,460</u>
<b>Pension Debt Service Fund</b>					
Non-Departmental	9,197,868	8,706,680	-	8,706,680	8,705,303
	<u>9,197,868</u>	<u>8,706,680</u>	<u>-</u>	<u>8,706,680</u>	<u>8,705,303</u>
<b>Total Debt Service Funds</b>	<u>16,604,658</u>	<u>14,309,013</u>	<u>-</u>	<u>14,309,013</u>	<u>19,790,763</u>
<b>Capital Project Funds</b>					
<b>Non GO Bond Funded Projects Fund</b>					
Non-Departmental	887,347	5,627,038	-	1,164,707	16,961,397
	<u>887,347</u>	<u>5,627,038</u>	<u>-</u>	<u>1,164,707</u>	<u>16,961,397</u>

City of Flagstaff  
Expenditures/Expenses by Fund  
Fiscal Year 2024-2025

Fund/Division	Actual Expenditures/ Expenses 2022-2023	Adopted Budgeted Expenditures/ Expenses 2023-2024	Expenditure/ Expense Adjustments Approved 2023-2024	Estimated Expenditures/ Expenses* 2023-2024	Budgeted Expenditures/ Expenses 2024-2025
<b>GO Bonds Funded Projects Fund</b>					
Fire	\$ -	-	-	-	2,295,000
Community Development	-	2,158,466	-	90,500	11,005,555
Water Services	1,367,877	25,109,399	-	9,589,861	32,473,867
Non-Departmental	154,225	4,408,306	-	42,199	3,682,137
	<u>1,522,102</u>	<u>31,676,171</u>	<u>-</u>	<u>9,722,560</u>	<u>49,456,559</u>
<b>Total Capital Project Funds</b>	<u>2,409,449</u>	<u>37,303,209</u>	<u>-</u>	<u>10,887,267</u>	<u>66,417,956</u>
<b>Enterprise Funds</b>					
<b>Drinking Water Fund</b>					
General Administration	408,622	471,325	-	471,325	559,251
Management Services	1,134,086	1,126,157	-	1,126,157	1,239,444
Community Development	66,572	77,525	-	77,525	20,114
Public Works	122,584	19,269	-	19,269	11,189
Water Services	20,539,218	44,438,122	-	28,810,577	50,563,544
Non-Departmental	189,267	158,635	-	158,635	178,339
Contingency	-	1,000,000	-	-	1,000,000
	<u>22,460,349</u>	<u>47,291,033</u>	<u>-</u>	<u>30,663,488</u>	<u>53,571,881</u>
<b>Wastewater Fund</b>					
General Administration	230,375	250,970	-	250,970	281,634
Management Services	343,692	344,188	-	344,188	365,075
Public Works	31,232	14,621	-	14,621	10,769
Water Services	8,234,229	40,945,657	-	8,625,114	28,162,977
Non-Departmental	64,525	49,627	-	49,627	62,090
Contingency	4,677	800,000	-	-	800,000
	<u>8,908,730</u>	<u>42,405,063</u>	<u>-</u>	<u>9,284,520</u>	<u>29,682,545</u>
<b>Reclaimed Water Fund</b>					
General Administration	31,345	45,107	-	45,107	49,621
Management Services	40,969	35,129	-	35,129	35,090
Water Services	362,372	2,966,583	-	678,006	2,211,434
Non-Departmental	5,272	5,109	-	5,109	3,823
Contingency	-	50,000	-	-	50,000
	<u>439,958</u>	<u>3,101,928</u>	<u>-</u>	<u>763,351</u>	<u>2,349,968</u>
<b>Stormwater Fund</b>					
General Administration	71,614	92,389	-	92,389	91,646
Management Services	110,656	116,991	-	116,991	194,275
Community Development	73,907	68,150	-	68,150	33,905
Public Works	2,098	1,091	-	1,091	2,648
Water Services	8,166,232	28,762,565	-	6,828,261	36,572,202
Non-Departmental	10,236	16,741	-	16,741	31,960
Contingency	-	2,000,000	-	-	819,721
	<u>8,434,743</u>	<u>31,057,927</u>	<u>-</u>	<u>7,123,623</u>	<u>37,746,357</u>
<b>Solid Waste Fund</b>					
General Administration	421,188	522,768	-	522,768	625,149
Management Services	477,379	505,305	-	505,305	544,957
Public Works	13,828,915	25,041,953	-	18,249,129	19,272,056
Non-Departmental	258,843	233,796	-	233,796	188,924
Contingency	-	500,000	-	500,000	500,000
	<u>14,986,325</u>	<u>26,803,822</u>	<u>-</u>	<u>20,010,998</u>	<u>21,131,086</u>



City of Flagstaff  
Expenditures/Expenses by Fund  
Fiscal Year 2024-2025

Fund/Division	Actual Expenditures/ Expenses 2022-2023	Adopted Budgeted Expenditures/ Expenses 2023-2024	Expenditure/ Expense Adjustments Approved 2023-2024	Estimated Expenditures/ Expenses* 2023-2024	Budgeted Expenditures/ Expenses 2024-2025
<b>Sustainability and Environmental Management Fund</b>					
General Administration	\$ 127,733	92,872	-	92,872	101,038
Management Services	106,664	78,246	-	78,246	84,876
Public Works	5,970	17,522	-	17,522	8,251
Non-Departmental	14,861	12,367	-	12,367	24,452
Sustainability	1,214,201	10,825,051	-	7,955,020	20,589,159
Contingency	-	30,000	-	-	30,000
	<u>1,469,429</u>	<u>11,056,058</u>	<u>-</u>	<u>8,156,027</u>	<u>20,837,776</u>
<b>Airport Fund</b>					
General Administration	128,782	116,847	-	116,847	152,687
Management Services	140,153	128,646	-	128,646	128,370
Public Works	108,393	140,657	-	140,657	112,020
Economic Vitality	5,754,691	25,474,918	-	9,520,107	27,533,597
Non-Departmental	43,078	13,777	-	13,777	46,843
Contingency	-	100,000	-	-	100,000
	<u>6,175,097</u>	<u>25,974,845</u>	<u>-</u>	<u>9,920,034</u>	<u>28,073,517</u>
<b>Flagstaff Housing Authority Fund</b>					
Community Development	9,289,645	11,611,628	-	11,513,258	12,419,384
Contingency	-	1,001,250	-	-	1,001,250
	<u>9,289,645</u>	<u>12,612,878</u>	<u>-</u>	<u>11,513,258</u>	<u>13,420,634</u>
<b>Total Enterprise Funds</b>	<u>72,164,276</u>	<u>200,303,554</u>	<u>-</u>	<u>97,435,299</u>	<u>206,813,764</u>
<b>Total All Funds</b>	<u>\$ 217,491,581</u>	<u>539,705,762</u>	<u>-</u>	<u>287,494,064</u>	<u>579,432,772</u>

\* Includes actual expenditures/expenses recognized on the modified accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

City of Flagstaff  
Expenditures/Expenses by Division  
Fiscal Year 2024-2025

Division/Fund	Actual Expenditures/ Expenses 2022-2023	Adopted Budgeted Expenditures/ Expenses 2023-2024	Expenditure/ Expense Adjustments Approved 2023-2024	Estimated Expenditures/ Expenses* 2023-2024	Budgeted Expenditures/ Expenses 2024-2025
<b>General Administration</b>					
General Fund	\$ 14,207,174	34,022,130	-	17,178,620	19,633,599
Library	280,520	328,134	-	328,134	357,049
HURF	409,111	376,704	-	376,704	369,439
Transportation	51,325	56,447	-	56,447	90,231
Parking District	39,437	46,293	-	46,293	55,820
Drinking Water	408,622	471,325	-	471,325	559,251
Wastewater	230,375	250,970	-	250,970	281,634
Reclaimed Water	31,345	45,107	-	45,107	49,621
Stormwater	71,614	92,389	-	92,389	91,646
Solid Waste	421,188	522,768	-	522,768	625,149
Sustainability and Environmental Mgmt	127,733	92,872	-	92,872	101,038
Airport	128,782	116,847	-	116,847	152,687
	<u>16,465,494</u>	<u>36,483,430</u>	<u>-</u>	<u>19,639,920</u>	<u>22,439,873</u>
<b>Community Development</b>					
General Fund	4,408,903	5,317,967	-	4,795,989	5,525,601
Housing and Community Services	818,527	4,470,328	1,100,000	2,175,252	5,802,036
GO Bonds Funded Projects	-	2,158,466	-	90,500	11,005,555
Drinking Water	66,572	77,525	-	77,525	20,114
Stormwater	73,907	68,150	-	68,150	33,905
Flagstaff Housing Authority	9,289,645	11,611,628	-	11,513,258	12,419,384
	<u>14,657,554</u>	<u>23,704,064</u>	<u>1,100,000</u>	<u>18,720,674</u>	<u>34,806,595</u>
<b>Management Services</b>					
General Fund	4,689,190	6,797,338	-	6,045,798	6,886,150
Library	151,324	151,562	-	151,562	157,923
HURF	80,664	82,011	-	82,011	83,927
Transportation	98,601	77,553	-	77,553	114,989
Parking District	13,601	12,031	-	12,031	11,793
Drinking Water	1,134,086	1,126,157	-	1,126,157	1,239,444
Wastewater	343,692	344,188	-	344,188	365,075
Reclaimed Water	40,969	35,129	-	35,129	35,090
Stormwater	110,656	116,991	-	116,991	194,275
Solid Waste	477,379	505,305	-	505,305	544,957
Sustainability and Environmental Mgmt	106,664	78,246	-	78,246	84,876
Airport	140,153	128,646	-	128,646	128,370
	<u>7,397,924</u>	<u>9,468,862</u>	<u>-</u>	<u>8,717,322</u>	<u>9,856,855</u>
<b>Fire</b>					
General Fund	14,473,138	28,781,201	-	21,978,200	22,176,319
Water Resource and Infrastructure Fund	643,788	973,122	-	873,122	4,048,089
GO Bonds Funded Projects	-	-	-	-	2,295,000
	<u>15,116,926</u>	<u>29,754,323</u>	<u>-</u>	<u>22,851,322</u>	<u>28,519,408</u>
<b>Police</b>					
General Fund	22,437,055	26,722,092	-	25,176,728	27,855,509
	<u>22,437,055</u>	<u>26,722,092</u>	<u>-</u>	<u>25,176,728</u>	<u>27,855,509</u>
<b>Public Works</b>					
General Fund	2,655,936	6,401,503	-	4,107,507	9,436,602
Library	28,892	37,541	-	37,541	62,997
HURF	6,856,570	17,260,297	-	12,897,131	12,219,573
Transportation	4,097,136	7,511,127	-	4,650,818	11,043,115
Parking District	420	414	-	414	302
Drinking Water	122,584	19,269	-	19,269	11,189

City of Flagstaff  
Expenditures/Expenses by Division  
Fiscal Year 2024-2025

Division/Fund	Actual Expenditures/ Expenses 2022-2023	Adopted Budgeted Expenditures/ Expenses 2023-2024	Expenditure/ Expense Adjustments Approved 2023-2024	Estimated Expenditures/ Expenses* 2023-2024	Budgeted Expenditures/ Expenses 2024-2025
<b>Public Works - Continued</b>					
Wastewater	\$ 31,232	14,621	-	14,621	10,769
Stormwater	2,098	1,091	-	1,091	2,648
Solid Waste	13,828,915	25,041,953	-	18,249,129	19,272,056
Sustainability and Environmental Mgmt	5,970	17,522	-	17,522	8,251
Airport	108,393	140,657	-	140,657	112,020
	<u>27,741,354</u>	<u>56,449,244</u>	-	<u>40,138,949</u>	<u>52,183,716</u>
<b>Economic Vitality</b>					
General Fund	125,206	301,875	-	196,875	253,451
Library	5,655,128	6,669,069	-	6,172,737	8,404,439
Beautification	2,046,925	3,767,996	-	1,925,818	5,559,192
Economic Development	1,421,392	2,211,241	-	1,622,398	2,415,093
Tourism	3,292,670	4,052,041	-	3,645,347	4,462,332
Arts and Science	643,585	1,236,443	-	1,121,443	1,286,551
Parking District	790,126	2,212,836	-	1,097,836	2,280,174
Airport	5,754,691	25,474,918	-	9,520,107	27,533,597
	<u>19,729,723</u>	<u>45,926,419</u>	-	<u>25,302,561</u>	<u>52,194,829</u>
<b>Water Services</b>					
GO Bonds Funded Projects	1,367,877	25,109,399	-	9,589,861	32,473,867
Drinking Water	20,539,218	44,438,122	-	28,810,577	50,563,544
Wastewater	8,234,229	40,945,657	-	8,625,114	28,162,977
Reclaimed Water	362,372	2,966,583	-	678,006	2,211,434
Stormwater	8,166,232	28,762,565	-	6,828,261	36,572,202
	<u>38,669,928</u>	<u>142,222,326</u>	-	<u>54,531,819</u>	<u>149,984,024</u>
<b>Non-Departmental</b>					
General Fund	(2,283,616)	9,264,987	-	(556,706)	5,544,170
COVID Relief Fund	338,108	2,733,607	-	604,806	2,091,210
Library	74,008	70,981	-	70,981	68,663
HURF	202,761	182,781	-	182,781	76,672
Transportation	7,963,504	16,886,537	-	10,253,262	16,552,143
Housing and Community Services	16,709	52,000	-	52,000	51,500
Parking District	8,419	9,327	-	9,327	6,957
General Obligation Bonds	7,406,790	5,602,333	-	5,602,333	11,085,460
Pension Debt Service Fund	9,197,868	8,706,680	-	8,706,680	8,705,303
GO Bond Funded Projects	154,225	4,408,306	-	42,199	3,682,137
Non GO Bond Funded Projects	887,347	5,627,038	-	1,164,707	16,961,397
Drinking Water	189,267	158,635	-	158,635	178,339
Wastewater	64,525	49,627	-	49,627	62,090
Reclaimed Water	5,272	5,109	-	5,109	3,823
Stormwater	10,236	16,741	-	16,741	31,960
Solid Waste	258,843	233,796	-	233,796	188,924
Sustainability and Environmental Mgmt	14,861	12,367	-	12,367	24,452
Airport	43,078	13,777	-	13,777	46,843
	<u>24,558,752</u>	<u>54,043,096</u>	-	<u>26,630,889</u>	<u>65,370,706</u>
<b>City Engineering</b>					
General Fund	1,676,642	2,360,781	-	2,335,749	2,354,908
HURF	7,850,748	11,303,541	-	7,422,596	10,293,512
Transportation	11,371,479	65,480,023	-	12,931,477	81,790,356
	<u>20,898,869</u>	<u>79,144,345</u>	-	<u>22,689,822</u>	<u>94,438,776</u>

City of Flagstaff  
Expenditures/Expenses by Division  
Fiscal Year 2024-2025

Division/Fund	Actual Expenditures/ Expenses 2022-2023	Adopted Budgeted Expenditures/ Expenses 2023-2024	Expenditure/ Expense Adjustments Approved 2023-2024	Estimated Expenditures/ Expenses* 2023-2024	Budgeted Expenditures/ Expenses 2024-2025
<b>Parks, Recreation, Open Space and Events</b>					
General Fund	\$ 8,467,444	12,536,253	-	9,839,491	11,387,951
BBB-Recreation	143,256	2,270,947	-	2,260,547	2,520,400
	<u>8,610,700</u>	<u>14,807,200</u>	<u>-</u>	<u>12,100,038</u>	<u>13,908,351</u>
<b>Sustainability</b>					
Sustainability and Environmental Mgmt	1,214,201	10,825,051	-	7,955,020	20,589,159
	<u>1,214,201</u>	<u>10,825,051</u>	<u>-</u>	<u>7,955,020</u>	<u>20,589,159</u>
<b>Reserves/Contingencies</b>					
General Fund	(18,103)	4,204,060	(1,100,000)	2,539,000	2,514,000
Library	-	100,000	-	-	100,000
HURF	-	100,000	-	-	100,000
Beautification	-	10,000	-	-	10,000
Economic Development	6,527	45,000	-	-	45,000
Tourism	-	175,000	-	-	175,000
Arts and Science	-	10,000	-	-	10,000
Parking District	-	30,000	-	-	30,000
Drinking Water	-	1,000,000	-	-	1,000,000
Wastewater	4,677	800,000	-	-	800,000
Reclaimed Water	-	50,000	-	-	50,000
Stormwater	-	2,000,000	-	-	819,721
Solid Waste	-	500,000	-	500,000	500,000
Sustainability and Environmental Mgmt	-	30,000	-	-	30,000
Airport	-	100,000	-	-	100,000
Flagstaff Housing Authority	-	1,001,250	-	-	1,001,250
	<u>(6,899)</u>	<u>10,155,310</u>	<u>(1,100,000)</u>	<u>3,039,000</u>	<u>7,284,971</u>
All Funds Total	<u>\$ 217,491,581</u>	<u>539,705,762</u>	<u>-</u>	<u>287,494,064</u>	<u>579,432,772</u>

\*Includes actual expenditures/expenses recognized on the modified accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

City of Flagstaff  
 Full-Time Employee and Personnel Compensation  
 Fiscal Year 2024-2025

Fund	Full-Time Equivalent (FTE) 2024-2025	Employee Salaries and Hourly Costs 2024-2025	Retirement Costs 2024-2025	Healthcare Costs 2024-2025	Other Benefit Costs 2024-2025	Total Estimated Personnel Compensation 2024-2025
General Fund	639.52	\$ 51,892,177	\$ 6,241,382	\$ 6,480,046	\$ 4,184,133	\$ 68,797,738
Special Revenue Funds						
Housing and Community Services	1.00	72,788	8,931	9,100	6,589	97,408
Library	57.88	3,298,968	356,196	554,849	249,042	4,459,055
Highway User Revenue	36.27	2,583,695	277,997	403,651	264,069	3,529,412
Transportation	2.00	124,392	15,263	25,616	15,449	180,720
Beautification	3.00	250,273	30,753	31,327	19,760	332,113
Economic Development	2.65	246,134	30,267	33,116	19,186	328,703
Tourism	18.80	1,300,203	145,222	165,193	100,781	1,711,399
Arts and Science	0.65	56,584	6,965	7,465	4,443	75,457
Parking District	7.30	384,987	46,867	82,891	38,147	552,892
Water Resource & Infrastructure Protection	8.00	604,515	72,862	64,494	32,558	774,429
Total Special Revenue Funds	<u>137.55</u>	<u>8,922,539</u>	<u>991,323</u>	<u>1,377,702</u>	<u>750,024</u>	<u>12,041,588</u>
Capital Project Funds						
GO Bonds	1.23	84,464	10,364	11,431	7,711	113,970
Total Capital Project Funds	<u>1.23</u>	<u>84,464</u>	<u>10,364</u>	<u>11,431</u>	<u>7,711</u>	<u>113,970</u>
Enterprise Funds						
Drinking Water	58.40	4,401,849	529,697	603,895	381,300	5,916,741
Wastewater	22.70	1,468,057	180,130	262,085	135,806	2,046,078
Reclaimed Water	1.80	125,294	15,373	20,997	11,457	173,121
Stormwater	10.30	836,784	101,808	112,120	70,056	1,120,768
Solid Waste	48.50	3,301,230	399,811	476,560	326,147	4,503,748
Sustainability and Environmental Mgmt	12.35	902,473	101,912	86,368	71,135	1,161,888
Airport	15.85	1,178,645	159,707	170,937	61,109	1,570,398
Flagstaff Housing Authority	24.40	1,506,735	184,873	269,309	131,732	2,092,649
Total Enterprise Funds	<u>194.30</u>	<u>13,721,067</u>	<u>1,673,311</u>	<u>2,002,271</u>	<u>1,188,742</u>	<u>18,585,391</u>
Total All Funds	<u><u>972.60</u></u>	<u><u>\$ 74,620,247</u></u>	<u><u>\$ 8,916,380</u></u>	<u><u>\$ 9,871,450</u></u>	<u><u>\$ 6,130,610</u></u>	<u><u>\$ 99,538,687</u></u>

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Rick Tadder, Management Services Director  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024



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**TITLE:**

**Consideration and Adoption of Resolution No. 2024-24:** A resolution of the Flagstaff City Council adopting the City of Flagstaff Public Safety Personnel Retirement System Pension Funding Policy; delegating authority; and establishing an effective date.

**STAFF RECOMMENDED ACTION:**

1. Read Resolution No. 2024-24 by title only
2. City Clerk reads Resolution No. 2024-24 by title only (if approved above)
3. Adopt Resolution No. 2024-24

**Executive Summary:**

The Flagstaff City Council is required to adopt a pension funding policy for its funding of the Public Safety Personnel Retirement System ("PSPRS") on or before July 1 on an annual basis, pursuant to Arizona Revised Statutes Section 38-863.01. The current policy is required to be updated and posted on the City's website.

**Financial Impact:**

Council will be adopting the Fiscal Year 2024-2025 budget on June 18, 2024, which includes funding for the public safety pension plans as outlined in the pension funding policy. The FY 2024-2025 budget includes pension contributions of \$1,367,497 for Fire pension and \$1,249,268 for Police pension.

**Policy Impact:**

The intent of this policy is to clearly communicate the Council's pension funding objectives, its commitment to our employees, and the sound financial management of the City, and to comply with Arizona Revised Statutes Section 38-863.01.

**Previous Council Decision or Community Discussion:**

On June 20, 2023, City Council adopted the PSPRS Pension Funding Policy for FY 2023-2024.

**Options and Alternatives to Recommended Action:**

- Adopt the Public Safety Personnel Retirement System Funding Policy as presented.
- Adopt the Public Safety Personnel Retirement System Funding Policy with amendments.

**Background and History:**

The City of Flagstaff has two separate pension plans for the City's public safety staff. While all the PSPRS plans are managed by the State, each plan within PSPRS stands alone by the City and employee group. The two plans for the City are the PSPRS-Fire and the PSPRS-Police. The City and its employees are responsible for the contributions and the City is solely responsible for liabilities of these plans.

The pension funding policy outlines several measures the City is taking to maintaining funding ratios above 100% in our PSPRS plans, including:

- Make the City's annual estimated contribution based on the City budget near the beginning of each fiscal year to allow PSPRS to invest those contributions earlier for enhanced potential investment earnings. This allows the pension system to earn investment income at a higher rate than the City.
- Make City contributions for public safety employees participating in the Deferred Retirement Option Plan (DROP), even though the City is not required to do so. This allows for a stable level of budgeting versus annual changes as employees on DROP increase and decrease.
- Budget and pay the Normal Cost of the pension plans. This is required by the pension plan.
- Current funding status for the Police plan is 97.7% and Fire plan is 102.6%. A funding status over 100% is important as it allows us to be in a better position when there are market and actuarial changes.

For the June 30, 2024 actuarial report, the Police plan fell below 100% funded. Therefore staff is contributing an additional \$3.2M in fiscal year 2023-24 to bring the plan back to fully funded. This contribution is being made with existing budget capacity and will not have an impact on the fiscal year 2024-25 budget adoption. Resources will come from our pension savings set aside and savings from police operations. The set aside funds were part of the initial financing plan to help assure the plans are meeting their funded status. We will not need to use the Contingency Reserve Fund. Staff will be meeting with Public Safety Personnel Safety Retirement staff do discuss the City's annual progress since our pension financing in July 2020. We hope to design an improved plan to maintain the 100% funded status of our plans.

**Connection to PBB Priorities and Objectives:**

High Performing Governance: Maintain the organization's fiscal stability through strong financial policies and best practices.

**Connection to Regional Plan:**

Goal PF.3. Provide high-quality emergency response and public safety services including law enforcement, fire, medical, and ambulance transport service.

**Connection to Carbon Neutrality Plan:**

None.

**Connection to 10-Year Housing Plan:**

None

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**Attachments:**    [Res. 2024-24](#)  
                          [PSPRS Pension Funding Policy](#)  
                          [Contingency Reserve Fund Policy](#)

**RESOLUTION NO. 2024-24**

**A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL ADOPTING THE CITY OF FLAGSTAFF PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM PENSION FUNDING POLICY; DELEGATING AUTHORITY; AND ESTABLISHING AN EFFECTIVE DATE**

**RECITALS:**

WHEREAS, beginning on or before July 1, 2019, pursuant to A.R.S. § 38-863.01 the City of Flagstaff shall annually adopt a pension funding policy for its Public Safety Personnel Retirement System (“PSPRS”) plans; and

WHEREAS, the City desires to adopt a pension funding policy for the Flagstaff Fire Department and the Flagstaff Police Department pension plans (“PSPRS plans”); and

WHEREAS, the State of Arizona is responsible for investment and management of the PSPRS plans, and administration of pension benefits.

**ENACTMENTS:**

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:**

**SECTION 1. In General.**

The City of Flagstaff hereby adopts the City of Flagstaff Public Safety Personnel Retirement System Pension Funding Policy, attached hereto (“Pension Funding Policy”).

**SECTION 2. Delegation of Authority.**

The Management Services Director and Finance Director are delegated authority to implement the Pension Policy, to make recommendations for any adjustments and to report on progress in reducing unfunded liability of the PSPRS plans as deemed necessary and appropriate.

The City Clerk is hereby directed to post a copy of the Pension Funding Policy on the City of Flagstaff website pursuant to A.R.S. § 38-863.01.B, and to provide a copy of the Pension Funding Policy to the Police Chief, Fire Chief, and to the local board for each of the PSPRS plans.

**SECTION 3. Effective Date.**

This resolution shall be effective July 1, 2024.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 4th day of June, 2024.

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MAYOR



ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

Exhibits:  
Pension Funding Policy

# City of Flagstaff Public Safety Personnel Retirement System Pension Funding Policy As of July 1, 2024

## Section 1: Introduction

The intent of this policy is to clearly communicate the Council's pension funding objectives and its commitment to our employees and the sound financial management of the City of Flagstaff (City) and to comply with Arizona Revised Statutes Section 38-863.01.

The City of Flagstaff is a member of the Public Safety Personnel Retirement System (PSPRS). The City has two PSPRS pension plans, one for police employees and one for fire employees. Each pension plan has its own funding to pay for current and future pension obligations. The plans represent only the City of Flagstaff's liability. Employee contributions that are used to help pay for the pension plans are managed by the PSPRS.

This policy will demonstrate how the City will meet its financial obligations for funding the police and fire pension plans, explain how and when funding requirements for the plans will be met, and define the funded ratio targets and timelines for reaching the ratio for the plans.

Several terms are used throughout this policy:

**Unfunded Actuarial Accrued Liability (UAAL)** – Is the difference between trust assets and the estimated future cost of pensions earned by employees. This UAAL results from actual results (interest earnings, member mortality, disability rates, etc.) being different from the assumptions used in previous actuarial valuations.

**Annual Required Contribution (ARC)** – Is the annual amount required to pay into the pension funds, as determined through annual actuarial valuations. It is comprised of two primary components: normal pension cost – which is the estimated cost of pension benefits earned by employees in the current year; and amortization of UAAL – which is the cost needed to cover the unfunded portion of pensions earned by employees in previous years. The UAAL is collected over a period referred to as the amortization period. The ARC is a percentage of the current payroll.

**Normal Cost** – That portion of the actuarial present value of benefits for the base costs in the current plan year.

**Funded Ratio** – Is a ratio of fund assets to actuarial accrued liability. The higher the ratio the better funded the pension is with 100% being fully funded.

**Intergenerational equity** – Ensures that no generation is burdened by substantially more or less pension costs than past or future generations.

The City's police and fire employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS).

## Section 2: Public Safety Personnel Retirement System (PSPRS)

PSPRS is administered as an agent multiple-employer pension plan. An agent multiple-employer plan has two main functions: 1) to comingle assets of all plans under its administration, thus achieving economy of scale for more cost-efficient investments and invest those assets for the benefit of all members under its administration and 2) serve as the statewide uniform administrator for the distribution of benefits. PSPRS provides annual actuarial reports to determine current status of each plan. These are available on the PSPRS website.

Under an agent multiple employer plan each agency participating in the plan has an individual trust fund reflecting each individual plan's assets and liabilities. Under this plan all contributions are deposited to and distributions are made from that fund's assets, each fund has its own funded ratio and contribution rate, and each fund has a unique annual actuarial valuation. The City of Flagstaff has two trust funds, one for police employees and one for fire employees.

Council formally accepts the assets, liabilities, and current funding ratio of the City's PSPRS trust funds from the June 30, 2023 actuarial valuation, which are detailed below.

June 30, 2023 Report, Tier 1 & 2:

<b>Trust Fund</b>	<b>Assets</b>	<b>Accrued Liability</b>	<b>UAAL (Overfunded)</b>	<b>Funded Ratio</b>
Flagstaff Police	\$ 103,449,502	\$ 105,914,396	\$ 2,464,894	97.7%
Flagstaff Fire	\$ 115,290,775	\$ 112,347,871	(\$ 2,942,904)	102.6%
<b>Totals</b>	<b>\$ 218,740,277</b>	<b>\$ 218,262,267</b>	<b>(\$ 478,010)</b>	<b>100.2%</b>

### **Section 3: PSPRS Funding Goal**

Pensions that are less than fully funded place the cost of service provided in earlier periods (amortization of UAAL) on the current taxpayers. Fully funded pension plans are the best way to achieve taxpayer and employee intergenerational equity.

At a minimum, the Council will maintain minimum Annual Required Contribution (ARC) for PSPRS for both Flagstaff Police and Flagstaff Fire. Council is committed to maintaining the full ARC payment (normal cost and UAAL amortization) from ongoing operating revenues.

The City's PSPRS plans are currently funded at an average of 100% based on Actuarial Reports for the period ending June 30, 2023. Future goals will be in place to best assure the plans are 100% funded. The following goals are adopted to address potential future impacts and position the City financially for such impacts.

The estimated ARC for FY 2024-25 per actuarial valuation and fully funded goal, Tier 1 & 2:

- PSPRS-Police: \$568,777 (Normal Cost), \$92,066 (Unfunded Liability) June 30, 2023
- PSPRS-Fire: \$31,956 (Normal Cost only), June 30, 2023

Council will take additional fiscal measures to maintain 100% funded pension plans:

- The City will make an annual payment for the City's share of PSRPS contributions in July of each fiscal year. The payment will be based on the Adopted Budget for the City for both plans. During the fiscal year, if the ARC exceeds the prepayment amount, the City will pay additional ARC as required. If at June 30 the prepayment exceeds the actual minimum ARC, the City will leave the overpayment with the pension plan, thus providing excess contributions.
- For public safety employees which are in the Deferred Retirement Option Plan (DROP), the City will budget for and pay the City's share of pension contributions. While the City is not required to make these contributions, this would be a contribution in excess of the ARC.
- The City will calculate the annual contributions based on Normal Cost rate provided in the annual actuarial report.

Council will consider additional payment above the ARC to lower the UAAL:

- Based on staff recommendation, additional payments may be provided from the pension saving set aside in the General Fund.

Council will consider additional resources to assist in maintaining the 100% funding status:

- The Council has adopted a Contingency Reserve Fund policy of the public safety plan. Staff will utilize this plan to provide additional contributions when the plans fall below 100% funding.

Based on these pension funding policy decisions by the Council, the City PSPRS plans are expected to maintain the goal of 100% funding.

Adopted by Resolution on June 04, 2024

# City of Flagstaff



## Public Safety Personnel Retirement System (“PSPRS”) Contingency Reserve Fund (“CRF”) Policy June 2020

### 1. Background

- a. The City desires to fully fund its PSPRS Flagstaff Police and Fire Plans (“Plans”). As of June 2020, Plans constitute a debt of the City. The City has determined it is financially prudent to appropriately fund these pension plans and help improve the long term finances of the City.
- b. The City is issuing Pension Certificates of Participation (COPS) encumbering certain City real properties and will deposit a portion of the proceeds in the PSPRS Flagstaff Police and Fire pension funds and a portion for two Contingency Reserve Funds.
- c. The City has the goal to be at or near 100% funded for both Plans.

### 2. Purpose of the Contingency Reserve Funds

- a. The purpose of this policy is to set forth the rules of managing the CRF effectively. The goal is to mitigate the impact of 1) investment return volatility and 2) changes in select actuarial assumptions (as defined herein) made within the PSPRS plans for Flagstaff Police and Flagstaff Fire (“Plans”).

### 3. Establishment of Contingency Reserve Funds and Initial Deposits

- a. The City is establishing separate contingency reserve funds for Police and Fire, because each Plan is independently managed by PSPRS.
- b. The initial deposit for the Police CRF and the initial deposit for the Fire CRF will be funded with COPS proceeds. Sizing of the Contingency Reserve Funds is discussed further below in this policy.
- c. The City will manage each CRF separately and the deposits and draws will be managed based on each Plan’s changes. Each Plan’s changes are summarized by PSPRS actuaries on an annual basis at the end of the fiscal year, and the City receives a copy of the annual report.

### 4. Rules for Investments

- a. The City will be managing and investing the CRFs. Investments made by the must comply with the requirements found in Arizona Revised Statutes Section 35-323 and the City’s Investment Policy.
- b. Investments shall be principal protected so that the City does not lose value in the deposited amounts.
- c. Gross funded by principal deposits, not to include expected investment earnings.
- d. Investments shall be invested in no more than one-year increments to allow for liquidity in the 1<sup>st</sup> quarter of each calendar year.

- e. Proceeds should only be invested in liquid and/or short-term products to ensure prompt availability of funds.
- f. The City will prioritize the investments of these funds with a local bank.
- g. City may have the opportunity to utilize a pension stabilization trust to manage investment of CRF proceeds. These are irrevocable trusts created under Internal Revenue Service Section 115.

#### 5. Rules for Contingency Reserve Funds Draws

- a. The City will establish a minimum fund balance threshold based on the initial deposit into the CRF.
- b. Draws will first be made from investment income only, while the principal balance remains untouched.
- c. Establish a funded ratio threshold, where if the CRF balance rises 5% above the minimum fund balance and the pension plan is fully funded, the City may draw all or a portion of the 5% to supplement the City's annual required employer contribution for the Plans.
- d. Market Draw: The City may draw from a CRF when investment return for the Plans for the prior fiscal year is below the actuarial rate of return.
- e. Actuarial Draw: The City may draw from a CRF when the PSPRS annual report for the Plans show a revision of the assumed earnings rate assumption, changes to payroll growth assumption, and/or revisions to mortality assumption occur and cause an impact on Unfunded Actuarial Accrued Liability for the Plans in excess of a defined threshold.

#### 6. Rules of Replenishment for the Contingency Reserve Funds

- a. After the fiscal year of bond issuance and for the following five fiscal years of the bonds, the City shall only commit savings derived from the issuance of the COPS to help pay one time operational costs of the General Fund so that should the CRF fall below minimum fund requirements in a given fiscal year, savings may be used to replenish the CRF.
- b. The City will review unspent budget appropriations for PSPRS pension expenditures annually and may consider adding to the CRF.
- c. Should the CRF balance fall below the minimum fund balance, the City will prioritize making replenishments over no more five years.

#### 7. Sizing of Contingency Reserve Funds

- a. The City will review the CRF funding levels at least every five years to assure adequate reserves.
- b. Police CRF
  - i. Size initial deposit to manage "worst case" scenario of all permitted draw events (market volatility and actuarial changes) occurring in one valuation
  - ii. Market. \$2,836,000; size initial deposit to calculated on the average of a 10% market loss and up to three years of new Unfunded Actuarial Accrued Liability ("UAAL") payments that would be created if PSPRS experienced 20% loss

compared to the average earnings rate in year 1 of issuing pension bonds.

- iii. Actuarial. \$4,014,000; size initial deposit to manage up to three years of new UAAL payments that would be created if the assumed earnings rate was revised to 7%, payroll growth increased and/or PSPRS adopted a new mortality table.

c. Fire CRF

- i. Size initial deposit to manage “worst case” scenario of all permitted draw events (market volatility and actuarial changes) occurring in one valuation
- ii. Market. \$3,170,000; size initial deposit to calculated on the average of a 10% market loss and up to three years of new UAAL payments that would be created if PSPRS experienced 20% loss compared to the average earnings rate in year 1 of issuing pension bonds.
- iii. Actuarial. \$4,219,000; size initial deposit to manage up to three years of new UAAL payments that would be created if the assumed earnings rate was revised to 7%, payroll growth increased and/or PSPRS adopted a new mortality table.

8. Rules to Dissolve Contingency Reserve Funds

- a. Upon the repayment of the final debt service payment for the Pension COPS, staff will seek Council direction to dissolve or continue the CRF. The City could dissolve the CRF and apply the remaining balance of funds to other retiree benefits, other post-employment benefits (OPEB), annual required contributions or General Fund.

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Rick Tadder, Management Services Director  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024



**TITLE:**

**Consideration and Adoption of Resolution No. 2024-23:** A resolution of the Flagstaff City Council, designating its Chief Fiscal Officer for officially submitting the fiscal year 2024-2025 expenditure limitation report to the Arizona Auditor General, and establishing an effective date.

**STAFF RECOMMENDED ACTION:**

1. Read Resolution No. 2024-23 by title only
2. City Clerk reads Resolution No. 2024-23 by title only (if approved above)
3. Adopt Resolution No. 2024-23

**Executive Summary:**

Staff is requesting Council adoption of this resolution to formally designate a Chief Fiscal Officer, per Arizona Revised Statutes, Section 41-1279.07(E). The City is required to annually designate a Chief Fiscal Officer for the City for expenditure limitation reporting.

**Financial Impact:**

There is no fiscal impact related to adopting this resolution.

**Policy Impact:**

There is no policy impact related to adopting this resolution. It is intended to follow state statute requirements.

**Previous Council Decision or Community Discussion:**

The current designation for Fiscal Year 2023-24 was adopted by Council on July 3, 2023.

**Options and Alternatives to Recommended Action:**

- Approve the Resolution as submitted.
- Amend the Resolution and designate a different city staff member as the Chief Fiscal Officer

**Background and History:**

Per Arizona Revised Statutes, Section 41-1279.07(E), the City is required to designate a Chief Fiscal Officer annually for expenditure limitation reporting, as follows: "The governing body of each political subdivision shall provide to the auditor general by July 31 each year the name of the chief fiscal officer designated by the governing body of the political subdivision to officially submit the current fiscal year's expenditure limitation report on behalf of the governing body. The governing body of the political subdivision shall notify the auditor general of any changes of individuals designated to file the required reports. The designated chief fiscal officer shall certify to the accuracy of the annual expenditure limitation report."



The Flagstaff City Charter Article IV, Section 3 provides for the appointment of a City Treasurer with approval of the Council. The City Treasurer "shall receive and have custody of all the money of the City" and manage it in compliance with applicable laws and ordinances. The City Treasurer's responsibilities encompass those duties required of a Chief Fiscal Officer, per the law stated above. On September 15, 2015, Rick Tadder was appointed the City Treasurer by Resolution No. 2015-32. Therefore, designating Rick Tadder as the Chief Fiscal Officer is appropriate.

**Connection to PBB Priorities and Objectives:**

None

**Connection to Regional Plan:**

None

**Connection to Carbon Neutrality Plan:**

None

**Connection to 10-Year Housing Plan:**

None

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**Attachments:**    [Res. No. 2024-23](#)

**RESOLUTION NO. 2024-23**

**A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, DESIGNATING THE CHIEF FISCAL OFFICER FOR OFFICIALLY SUBMITTING THE FISCAL YEAR 2024-2025 EXPENDITURE LIMITATION REPORT TO THE ARIZONA AUDITOR GENERAL, AND ESTABLISHING AN EFFECTIVE DATE**

**RECITALS:**

WHEREAS, A.R.S. § 41-1279.07(E) requires each county, city, town, and community college district to annually provide to the Auditor General by July 31 the name of the Chief Fiscal Officer the governing body designated to officially submit the current year's Annual Expenditure Limitation Report (AELR) on the governing body's behalf; and

WHEREAS, the City of Flagstaff Mayor and Council desire to designate its City Treasurer, Rick Tadder, as the City's Chief Fiscal Officer; and

WHEREAS, entities must submit an updated form and documentation for any changes in the individuals designated to file the AELR.

**ENACTMENTS:**

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:**

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

Rick Tadder is hereby designated as the City's Chief Fiscal Officer for purposes of submitting the fiscal year 2024-2025 Annual Expenditure Limitation Report to the Arizona Auditor General's Office on the governing body's behalf.

SECTION 2. Effective Date.

This resolution shall be immediately effective.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 4th day of June, 2024.

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MAYOR

ATTEST:

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CITY CLERK

APPROVED AS TO FORM:

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CITY ATTORNEY

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Patrick Brown, Purchasing Director  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024



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**TITLE:**

**Consideration and Adoption of Resolution No. 2024-26:** A resolution of the Flagstaff City Council, amending the Procurement Code Manual, Article 4 and adding Article 32 and establishing an effective date.

**STAFF RECOMMENDED ACTION:**

1. Read Resolution No. 2024-26 by title only
2. City Clerk reads Resolution No. 2024-26 by title only (if approved above)
3. Adopt Resolution No. 2024-26

**Executive Summary:**

This Resolution is to amend the City's Procurement Code Manual to revise Article 4 Definitions and add the new Article 32 for Sustainable Procurement. Staff has developed new Article 32 and revised Article 4 with associated definitions that will provide a sustainable procurement process when soliciting for Financial Services.

**Financial Impact:**

N/A.

**Policy Impact:**

Per City Code, Chapter 1, Section 20-001-0004, a Resolution is required to adopt changes to the Procurement Code Manual.

**Previous Council Decision or Community Discussion:**

On June 27, 2023 during a Council Work Session, city staff was asked by council to explore and develop procurement policy code revisions for the Procurement Code Manual.

On March 28, 2024 at a City Council Work Session, city staff presented amendments to the Procurement Code Manual with options to consider under the new Sustainable Procurement article related to Financial Services.

**Options and Alternatives to Recommended Action:**

- Adopt the changes proposed in the Resolution
- Provide amendments and adopt the Resolution
- Do not adopt the resolution and provide direction to staff

**Background and History:**

The City has a formal and comprehensive Procurement Code Manual which was originally adopted by City Council under Resolution No. 2013-19 on July 16, 2013. Any and all amendments are required to be adopted by Resolution per City Code, Chapter 1, Section 20-001-0004. The Procurement Code Manual was amended

June 2015, May 2018, April 2019 and July 2023.

The purpose for the Procurement Code Manual is to provide fundamental principles, practices and guidelines for how the City Procurement process works. The objectives of the Procurement Code Manual are to outline various procedures in order to provide and preserve a high standard of integrity and transparency with the City's procurement process and demonstrate leadership in the stewardship of taxpayer dollars involving the procurement of materials, services and construction. The Procurement Code Manual is in accordance with the Flagstaff City Charter and applicable law.

The City Procurement Code Manual currently consists of 31 Articles. Staff is prepared to discuss amendment to Articles 4 and adding new Article 32 for adoption. Staff will continue to look at future revisions to other Articles within the Procurement Code Manual.

**Connection to PBB Priorities and Objectives:**

None

**Connection to Regional Plan:**

None

**Connection to Carbon Neutrality Plan:**

None

**Connection to 10-Year Housing Plan:**

N/A

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**Attachments:**    [Res. 2024-26](#)

RESOLUTION NO. 2024-26

**A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, AMENDING THE  
PROCUREMENT CODE MANUAL, ARTICLE 4 AND ADDING ARTICLE 32,  
AND ESTABLISHING AN EFFECTIVE DATE**

**RECITALS:**

WHEREAS, the City of Flagstaff has adopted a process for the procurement of goods and services set forth in the Procurement Code Manual; and

WHEREAS, the Flagstaff City Council desires to amend the *Procurement Code Manual* by adding additional language related to Articles 4 Definitions and adding a new Article 32 Sustainable Procurement; and

WHEREAS, the Flagstaff City Council desires to amend the *Procurement Code Manual* by adding a new Article 32 Sustainable Procurement.

**ENACTMENTS:**

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS  
FOLLOWS:**

That the *Procurement Code Manual*, Article 4, and new Article 32, are hereby amended as follows:

SECTION 1. The Procurement Code Manual hereto and hereby incorporated herein is hereby amended as follows:

**Article 4            Definitions**

***Direct fossil fuel industry relationship*** means companies that fund operations and companies associated with extracting, producing, and investing in fossil fuels.

***Financial Services*** means contractual services with businesses that manage money including banking services, deposits, treasury management, credit cards, payment services, and loans/leases.

***Fossil Fuel Industry*** means the sector involved in the exploration, extraction, production, and distribution of fossil fuels. These fuels include coal, oil, and natural gas.

***Fossil Fuel Adjacent Companies*** means businesses that operate closely with or provide services to the Fossil Fuel Industry but are not directly involved in the exploration, extraction, production, and distribution of fossil fuels themselves. These companies may include suppliers of equipment and technology used in fossil fuel extraction, transportation, and refining processes, as well as firms engaged in activities such as exploration, environmental remediation, consulting, or finance tailored specifically to the fossil fuel sector.

***Indirect fossil fuel industry relationship*** means companies that fund companies that

themselves have exposure to fossil fuel investments.

**Article 32**            **Sustainable Procurement**

The City of Flagstaff recognizes the importance of focusing procurement processes on sustainable purchasing practices. All procurements will require consideration of the following sub articles.

**Section 32.1**            **Financial Services**

- A. When procuring Financial Services, the Purchasing Agent will follow the prescribed process below related to relationships with the Fossil Fuel Industry.
- B. When procuring Financial Services through a competitive process, the following evaluative criteria will be included in the solicitation regarding the relationship between the firm and the Fossil Fuel Industry.
  - 1. Evaluation criteria are determined by the Purchasing Director and the end-user or City Treasurer. Evaluation criteria shall be objectively measurable and allow for the evaluation, selection, and award of a contract in the best interest of the City.
  - 2. Lesser direct business relationships with the Fossil Fuel Industry will provide a higher point value. Demonstration of approach to limiting future direct involvement with the Fossil Fuel Industry will be considered.
  - 3. All solicitations advertised shall include the evaluation criterion “Business with the Fossil Fuel Industry” as follows:

**Business with the Fossil Fuel Industry (10 points/10%)**

Financial institutions with greater relationships with the Fossil Fuel Industry will be assessed a lower point value. Financial institutions showing a commitment to climate action, carbon neutrality, and reducing relationships with the Fossil Fuel Industry will gain a higher point value. Financial institutions doing business with the City of Flagstaff must provide documentation showing their involvement with the Fossil Fuel Industry.

**Relationships with Fossil Fuel Industry**

- 1. Explain your institutional involvement with the Fossil Fuel Industry.
- 2. Describe what Fossil Fuel Industry that you currently provide financing. Provide a list of your current financing by type and amount.

**Commitment to Climate Action**

- 1. Share your institution’s commitment to climate action and reduction of investment in the Fossil Fuel Industry.
- 2. Include any initiatives your company has for reducing carbon emissions and how long the initiatives have been in place, as well as financing

towards green energy (i.e., solar, wind, etc.).

3. Please provide at least two years of progress reports toward carbon emission reductions.
4. Provide your company's initiatives to reduce financing for the Fossil Fuel Industry.

SECTION 2. The Management Services Division and the City Clerk are authorized and directed to edit and correct clerical errors or typographical and/or grammatical errors of working and punctuation.

SECTION 3. This resolution shall be immediately effective upon adoption.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 4th day of June, 2024.

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MAYOR

ATTEST:

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CITY CLERK

APPROVED AS TO FORM:

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CITY ATTORNEY



**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Heidi Hansen, Economic Vitality Director  
**Co-Submitter:** Rebecca Sayers  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024



**TITLE:**

**Consideration and Adoption of Resolution No. 2024-22 and Ordinance No. 2024-16:** A resolution of the Flagstaff City Council declaring as a public record that certain document filed with the City Clerk and entitled "2024 amendments to chapters 2-03, 2-13, 2-14, 2-20, and 3-06 of the city code related to the parks and recreation commission, tourism commission, beautification and public art commission, open spaces commission, and hospitality industry tax revenues" and An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 2, Boards and Commissions, Chapters 2-03, Parks and Recreation Commission, 2-13, Tourism Commission, 2-14, Beautification and Public Art Commission, and 2-20, Open Spaces Commission, and Title 3, Business Regulations, Chapter 3-06, Hospitality Industry Tax Revenues, by adopting by reference that certain document entitled "2024 Amendments to Chapters 2-03, 2-13, 2-14, 2-20, and 3-06 of the City Code Related to the Parks and Recreation Commission, Tourism Commission, Beautification and Public Art Commission, Open Spaces Commission, and Hospitality Industry Tax Revenues," providing for repeal of conflicting ordinances, severability, clerical corrections, and establishing an effective date.

**STAFF RECOMMENDED ACTION:**

**At the June 4, 2024 Council Meeting:**

- 1) Read Resolution No. 2024-22 by title only
- 2) City Clerk reads Resolution No. 2024-22 by title only (if approved above)
- 3) Read Ordinance No. 2024-16 by title only for the first time
- 4) City Clerk reads Ordinance No. 2024-16 by title only (if approved above)

**At the June 18, 2024 Council Meeting:**

- 5) Adopt Resolution No. 2024-22
- 6) Read Ordinance No. 2024-16 by title only for the final time
- 7) City Clerk reads Ordinance No. 2024-16 by title only (if approved above)
- 8) Adopt Ordinance No. 2024-16

**Executive Summary:**

The Parks and Recreation, Tourism, Open Spaces, and Beautification and Public Arts commission's ordinances were established in 1988 and the proposed amendments to Chapters 2-03, 2-13, 2-14, and 2-20 update the commission duties and objectives, which are outdated and no longer coincide with industry need. The proposed amendments to Chapter 3-06, clarify that the Open Spaces Commission will be involved in making recommendations regarding allocation of the parks and recreation portion of the hospitality industry tax revenues and update economic development activities.

**Financial Impact:**

No financial impact

**Policy Impact:**

Updating these chapters of the City Code will change the definition of "parks and recreation" in sections of the city code referring to the parks and recreation portion of the hospitality industry tax revenues (also known as



**RESOLUTION NO. 2024-22**

**A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED “2024 AMENDMENTS TO CHAPTERS 2-03, 2-13, 2-14, 2-20, AND 3-06 OF THE CITY CODE RELATED TO THE PARKS AND RECREATION COMMISSION, TOURISM COMMISSION, BEAUTIFICATION AND PUBLIC ART COMMISSION, OPEN SPACES COMMISSION, AND HOSPITALITY INDUSTRY TAX REVENUES”**

**RECITALS:**

WHEREAS, pursuant to A.R.S. § 9-802, a municipality may enact or amend provisions of the City Code by reference to a public record, provided that the adopting ordinance is published in full; and

WHEREAS, the Tourism, Parks and Recreation, Open Spaces, and Beautification and Public Arts commissions’ ordinances were established in 1988; and

WHEREAS, the proposed amendments to Chapters 2-03, 2-13, 2-14, and 2-20 update the respective commission’s duties and objectives, which are outdated and no longer coincide with industry need; and

WHEREAS, the proposed amendments to Chapter 3-06 clarify that the Open Spaces Commission will be involved in making recommendations regarding allocation of the parks and recreation portion of the hospitality industry tax revenues.

**ENACTMENTS:**

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:**

SECTION 1. In General.

That certain document known as “*2024 Amendments to Chapters 2-03, 2-13, 2-14, 2-20, and 3-06 of the City Code Related to the Parks and Recreation Commission, Tourism Commission, Beautification and Public Art Commission, Open Spaces Commission, and Hospitality Industry Tax Revenues*” attached hereto as Exhibit A is hereby declared to be a public record, and one (1) paper copy and one (1) electronic copy maintained in compliance with A.R.S. § 44-7041 shall remain on file with the City Clerk and kept available for public use and inspection.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 18th day of June 2024.

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MAYOR

ATTEST:

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CITY CLERK

APPROVED AS TO FORM:

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CITY ATTORNEY

Exhibits:

“2024 Amendments to Chapters 2-03, 2-13, 2-14, 2-20, and 3-06 of the City Code Related to the Parks and Recreation Commission, Tourism Commission, Beautification and Public Art Commission, Open Spaces Commission, and Hospitality Industry Tax Revenues”

**2024 AMENDMENTS TO CHAPTERS 2-03, 2-13, 2-14, 2-20, AND 3-06 OF THE CITY CODE  
RELATED TO THE PARKS AND RECREATION COMMISSION, TOURISM COMMISSION,  
BEAUTIFICATION AND PUBLIC ART COMMISSION, OPEN SPACES COMMISSION, AND  
HOSPITALITY INDUSTRY TAX REVENUES**

**CHAPTER 2-03  
PARKS AND RECREATION COMMISSION**

SECTIONS:

<a href="#">2-03-001-0001</a>	COMMISSION CREATED; MEMBERS:
<a href="#">2-03-001-0002</a>	TERMS; VACANCIES; COMPENSATION:
<a href="#">2-03-001-0003</a>	ORGANIZATION AND RULES:
<a href="#">2-03-001-0004</a>	POWERS AND DUTIES:

**2-03-001-0001 COMMISSION CREATED; MEMBERS:**

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There is hereby created a Parks and Recreation Commission for the City, consisting of seven (7) members appointed by the City Council. (Ord. No. 2007-11, Amended 02/06/2007; Ord. 2014-28, Amended, 11/18/2014)

**2-03-001-0002 TERMS; VACANCIES; COMPENSATION:**

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Terms of the appointed members shall be for three (3) years.

The Council shall fill vacancies for the unexpired term of any of the members of the Commission and no member of the Commission shall receive compensation for services thereon. (Ord. 1475, 2-3-87)

**2-03-001-0003 ORGANIZATION AND RULES:**

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Upon the taking effect of this Chapter, and when appointed, the members shall meet and organize and elect a ~~Chairman~~ **CHAIRPERSON** to serve for one year with a new ~~Chairman~~ being elected each succeeding year. The Commission may adopt by-laws, procedures, and standards for the operation of the Commission not inconsistent with the provisions of this Chapter. A quorum shall consist of four (4) voting members. The Commission shall meet not less than four (4) times each year.

**2-03-001-0004 POWERS AND DUTIES:**

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A. The duties of the Commission shall be to advise the Council, through periodic written reports **OR PRESENTATIONS** to the Council, recommending policy direction on City lands, structures, and facilities that are set aside or should be set aside or dedicated to recreational purposes, including but not limited to parks, swimming pools, playgrounds, playing and sports fields, and golf courses. The scope of the activities of the Commission shall also include but not be limited to advising and recommending policy direction in activities involving recreational and cultural pursuits of the elderly and the young and to otherwise employ in constructive and wholesome manner leisure time of the citizens.

B. The City Council may consider the advice and recommendation of the Commission and thereafter give direction through the City Manager to implement the recreational program as they see fit.

C. The Commission shall review and make recommendation on the annual budget of the Parks Section and Recreation Section prior to the submittal thereof to the City Manager.

D. With respect to the parks and recreation portion of the Bed, Board and Booze Tax allocated under Chapter [3-06](#), Hospitality Industry Tax Revenues, the Commission shall make JOINT recommendations, ALONG WITH THE OPEN SPACES COMMISSION, to the Council concerning the annual budgetary allocation of the parks and recreation portion of this tax, to include but not be limited to:

1. Developing parks and recreation facilities, OPEN SPACE, and programs as needed to benefit the community and its visitors.
2. Funding for the Flagstaff urban trails system development and maintenance.
3. Developing, acquiring, and distributing material to promote parks and recreation.
4. Retaining of appropriate staff to implement approved programs.

E. For purposes of subsection (D) of this section, "parks and recreation" means the development and management of public parks, OPEN SPACE, recreational facilities, and programs which are available to the residents and visitors including funding the Flagstaff urban trail system. (Same meaning as set forth in Section [3-06-001-0001](#).) (Ord. 865, 12-12-72; Ord. 1335, 10-16-84; Ord. 2015-22, Amended, 01/05/2016)

**CHAPTER 2-13  
TOURISM COMMISSION**

SECTIONS:

<a href="#">2-13-001-0001</a>	CREATION OF THE COMMISSION:
<a href="#">2-13-001-0002</a>	COMPOSITION AND TERM OF OFFICE:
<a href="#">2-13-001-0003</a>	COMPENSATION OF COMMISSION MEMBERS:
<a href="#">2-13-001-0004</a>	ORGANIZATION:
<a href="#">2-13-001-0005</a>	MEETINGS:
<a href="#">2-13-001-0006</a>	DUTIES:

**2-03-001-0001 CREATION OF THE COMMISSION:**

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There is hereby established a City Tourism Commission. There shall be seven (7) voting members of said Commission who shall meet as hereinafter provided to consider and recommend programs for the expenditure of the tourism portion of the Bed, Board and Booze Tax allocated under Chapter 3-06, Hospitality Industry Tax Revenues.

"Tourism" means the guidance, management, marketing, accommodation, promotion, and encouragement of ~~tourists~~ **VISITORS** (same meaning as set forth in Section 3-06-001-0001). (Ord. No. 1579, Enacted, 08/02/88; Ord. 2001-27, Amended, 11/20/2001; Ord. 2014-28, Amended, 11/18/2014; Ord. 2015-22, Amended, 01/05/2016)

**2-03-001-0002 COMPOSITION AND TERM OF OFFICE:**

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The composition of the membership shall consist of:

- A. Seven (7) members to be appointed by the City Council. Each member shall serve for three (3) years, on a staggered term basis.
- B. The City Manager or the Manager's designee shall be an ex officio member of the Commission. The member shall have no voting privileges.

The City Manager shall be responsible for staff support of the Tourism Commission.

The Council shall fill vacancies for the unexpired term of any of the members of the Commission.

A member's term in office shall commence with the first regular Commission meeting following the appointment and terminate with the regular Commission meeting at which the successor takes office. No voting member of the Commission may be appointed to more than two (2) consecutive full terms. (Ord. No. 1579, Enacted, 08/02/88; Ord. No. 1674, Amended, 09/18/90; Ord. 2001-27, Amended, 11/20/2001; Ord. No. 2006-09, Amended 04/10/2006; Ord. 2014-28, Amended, 11/18/2014; Ord. 2015-22, Amended, 01/05/2016)

**2-13-001-0003 COMPENSATION OF COMMISSION MEMBERS:**

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Members of the Commission shall serve without compensation.

(Ord. No. 1579, Enacted, 08/02/88)

**2-13-001-0004 ORGANIZATION:**

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The Commission shall elect a Chairperson from among its members. The term of the Chairperson shall be one year with eligibility for reelection. Commission members may not serve more than two (2) consecutive terms as Chairperson. The Council representative shall not be eligible for the Chair.

(Ord. No. 1579, Enacted, 08/02/88)

**2-13-001-0005 MEETINGS:**

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A. The Commission shall ATTEMPT TO hold at least one (1) regular meeting per month, BUT NO LESS THAN NINE (9) REGULAR MEETINGS PER YEAR, which shall ~~at all times~~ ALWAYS be open to the public. The time and place of said meeting shall be posted in accordance with the applicable Arizona State Statutes.

A quorum consisting of a minimum of four (4) voting members shall be required to conduct business.

~~B. The Chairperson of the Commission shall meet with the Chairpersons of the Economic Development Commission and the Beautification Commission at least once per month. The purpose of the meeting is for coordination of the three (3) commissions only. The intent is not to create another commission. The meeting shall at all times be open to the public. The time and place of said meeting shall be posted in accordance with applicable Arizona State Statutes.~~

~~B. C.~~ If a member is absent for three (3) meetings within a twelve (12) month period, excused or unexcused, that member may be replaced by the City Council. (Ord. No. 1579, Enacted, 08/02/88; Ord. 2001-27, Amended, 11/20/2001; Ord. 2014-28, Amended, 11/18/2014)

**2-13-001-0006 DUTIES:**

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The duties of the Commission shall be to:

A. WITH THE DIRECTION, GUIDANCE AND COORDINATION OF THE CONVENTION AND VISITORS BUREAU (CVB, A.K.A. DMO, A.K.A. DISCOVER FLAGSTAFF) THE TOURISM COMMISSION WILL PARTICIPATE IN A TWO-YEAR STRATEGIC PLAN TO INCLUDE A VISION, MISSION, AND POSITION STATEMENT. THE TWO-YEAR STRATEGIC PLAN SHALL BE USED AS A GUIDELINE FOR FUTURE PROGRAMS.

~~A. Prepare a Five (5) Year Master Plan. The Five (5) Year Plan shall be used as a guideline for future programs. Said Plan shall be presented to the Council prior to April 1st of each year.~~

~~B. Develop and present to City Council an Annual Plan outlining the Commission's program recommendations for the upcoming fiscal year. Said plan shall be presented to the Council prior to April 1<sup>st</sup> of each year.~~

CB. REVIEW THE CVB'S ANNUAL REQUESTS AND make recommendations to the City Council CVB concerning the annual budgetary allocation of the tourism portion of the Bed, Board



~~and Booze Tax to include, but not be limited to WHICH WILL BE SUBMITTED TO THE CITY BUDGET TEAM AND THEN THE CITY COUNCIL FOR FINAL APPROVAL.~~

~~C. REVIEW AND MAKE RECOMMENDATIONS ON THE ANNUAL SALES AND MARKETING PLAN. MAJOR ELEMENTS OF THE SALES/MARKETING PLAN WILL INCLUDE, BUT NOT BE LIMITED TO, DEVELOPING A SPECIFIC IMAGE FOR FLAGSTAFF, IDENTIFYING TARGET MARKET SEGMENTS, AND IMPLEMENTING A PROMOTIONAL PLAN DIRECTED TO TARGET MARKET SEGMENTS.~~

~~D. PROMOTE ACTIVITIES AND PROGRAMMING THAT ENHANCE THE COMMUNITY'S IMAGE AND THE OVERALL QUALITY OF LIFE.~~

~~E. MAINTAIN A VISITOR CENTER FOR EASY VISITOR ACCESS WITH ADEQUATE STAFFING TO OFFER AREA INFORMATION AND GUIDANCE.~~

~~F. RETAIN THE APPROPRIATE STAFFING TO MARKET, SELL, AND CREATE A BRAND IMAGE FOR FLAGSTAFF TO INCREASE VISITATION AND OVERALL ECONOMIC IMPACT.~~

~~1. Providing funding to the qualified, established public or private agency to administer, on a contract basis, tourism programs as required.~~

~~2. Developing and implementing a marketing plan. Major elements of the marketing plan will include, but not be limited to, developing a specific image for Flagstaff, identifying target market segments, and implementing a promotional plan directed to target market segments.~~

~~3. Establishing visitor information center(s) to include, but not be limited to, a high profile location, easy visitor access, adequate staffing, a toll-free telephone number for visitor information, and develop other facilities as needed to benefit visitors and the community.~~

~~4. Establishing an educational program to include, but not be limited to, scholarships for hospitality education at Northern Arizona University.~~

~~5. Promoting activities that enhance the community's image and the overall quality of life.~~

~~6. Retaining of appropriate staff to implement approved programs.~~

~~G.-D.~~ Perform any additional duties as determined by the City Council related to tourism activities. (Ord. No. 1579, Enacted, 08/02/88; Ord. 2015-22, Amended, 01/05/2016)

**CHAPTER 2-14  
BEAUTIFICATION AND PUBLIC ART COMMISSION**

**SECTIONS:**

<a href="#">2-14-001-0001</a>	CREATION OF COMMISSION:
<a href="#">2-14-001-0002</a>	COMPOSITION AND TERM OF OFFICE:
<a href="#">2-14-001-0003</a>	COMPENSATION OF COMMISSION MEMBERS:
<a href="#">2-14-001-0004</a>	ORGANIZATION:
<a href="#">2-14-001-0005</a>	MEETINGS:
<a href="#">2-14-001-0006</a>	DUTIES:

**2-14-001-0001 CREATION OF COMMISSION:**

---

There is hereby established a City Beautification and Public Art Commission. There shall be seven (7) voting members of said Commission who shall meet as hereinafter provided to consider and recommend programs for the expenditure of the beautification and arts and sciences portions of the Bed, Board and Booze Tax allocated under Chapter [3-06](#), Hospitality Industry Tax Revenues.

"Arts and sciences" means support for Flagstaff arts, scientific and cultural activities, events, and organizations to provide direct and indirect citizen participation and enhancement of the overall quality of life and community image including support of public art. (Same meaning as set forth in Section [3-06-001-0001](#).)

"Beautification" means any modification of the urban physical environment to increase pleasure to the senses or pleasurably exalt the mind or spirit or strengthen the urban design framework of the City (same meaning as set forth in Section [3-06-001-0001](#)). (Ord. 1580, Enacted, 08/02/1988; Ord. 2006-15, Amended, 05/16/2006; Ord. 2007-07, Amended, 02/06/2007; Ord. 2014-28, Amended, 11/18/2014; Ord. 2015-22, Amended, 01/05/2016)

**2-14-001-0002 COMPOSITION AND TERM OF OFFICE:**

---

The composition of the membership shall consist of seven (7) members appointed by the City Council.

Each member shall serve three (3) year terms, on a staggered basis. A member's term in office shall commence with the first regular Commission meeting following the appointment and terminate with the regular Commission meeting at which the successor takes office. No voting member of the Commission may be appointed to more than two (2) full consecutive terms. (Ord. 1580, Enacted, 08/02/1988; Ord. 1674, Amended, 09/18/1990; Ord. 2006-15, Amended, 05/16/2006; Ord. 2007-04, Amended, 02/06/2007; Ord. 2014-28, Amended, 11/18/2014; Ord. 2015-22, Amended, 01/05/2016)

**2-14-001-0003 COMPENSATION OF COMMISSION MEMBERS:**

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Members of the Commission shall serve without compensation. (Ord. 1580, Enacted, 08/02/1988)

**2-14-001-0004 ORGANIZATION:**

---

The Commission shall elect a Chairperson from among its members. The term of the Chairperson shall be one year with eligibility for reelection. Commission members may not serve more than

two (2) consecutive terms as Chairperson. The Council representative shall not be eligible for the Chair. (Ord. No. 1580, Enacted, 08/02/1988)

#### **2-14-001-0005 MEETINGS:**

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A. The Commission shall hold at least one (1) regular meeting per month, which shall at all times be open to the public; the time and place of said meeting shall be posted in accordance with the applicable Arizona State Statutes.

B. A quorum consisting of a minimum of four (4) voting members of the Commission shall be required to conduct business. (Ord. 1580, Enacted, 08/02/88; Ord. 2006-15, Amended, 05/16/2006; Ord. 2016-30, Amended, 07/05/2016)

#### **2-14-001-0006 DUTIES:**

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The duties of the Commission shall be to:

A. The Commission shall be responsible for preparing a five (5) year plan. The five (5) year plan shall be used as a guideline for future programs. Said plan shall be presented to the Council prior to April 1st of each year.

B. Develop and present to City Council an annual plan outlining the Commission's program recommendations for the upcoming fiscal year. Said plan shall be presented to the Council prior to April 1st of each year.

C. Make recommendations to the City Council concerning the annual budgetary allocation of the beautification and public art portions of the Bed, Board and Booze Tax and other monies as deemed appropriate by the City Council, to include, but not be limited to:

1. Purchase, installation, or modification of landscaping and irrigation systems;
2. Purchase, removal, or modification of billboards and nonconforming signs;
3. Beautification of buildings and facilities, streetscapes, and gateways;
4. Purchase and installation of public art projects;
5. Purchase or lease of easements or property necessary for beautification projects.

D. Make recommendations to the City Council for public art projects by:

1. Reviewing and defining potential public art projects and writing project descriptions.
2. Determining the artist selection method and writing the call to artists for public art projects.
3. Evaluating public art proposals for recommendation to the City Council.
4. Facilitating display of local art in public facilities.

Recommendations to City Council are required for a public art proposal when the resulting contract will be ~~ifty~~ ONE HUNDRED thousand dollars (~~\$50~~ 100,000.00) or more.

E. With respect to the arts and science portion of the Bed, Board and Booze Tax allocated under Chapter 3-06, Hospitality Industry Tax Revenues, the Commission shall make recommendations to the Council concerning the annual budgetary allocation of the arts and science portion of this tax, to include but not be limited to:

1. Developing and supporting the Flagstaff arts, scientific and cultural activities, events, and organizations to provide direct and indirect citizen participation, and opportunities for enhancement of the overall quality of life and community image.
2. Developing, acquiring, and distributing material to promote arts and science.
3. Developing financial assistance programs to stimulate artistic and scientific activities in Flagstaff.
4. Retaining of appropriate staff to implement approved programs.

F. Perform those additional duties as determined by the City Council, related to the Beautification and Public Art Commission.

G. Contracts for arts and sciences and beautification are subject to procurement under the Procurement Code Manual. In addition, the City Council, City Manager, or his or her designee(s) may request the Commission to make recommendations regarding any arts and sciences or beautification proposals. (Ord. No. 1580, Enacted, 08/02/88; Ordinance No. 2006-15, Amended, 05/16/2006; Ord. 2015-22, Amended, 01/05/2016; Ord. 2021-22, Amended, 10/05/2021)

**CHAPTER 2-20  
OPEN SPACES COMMISSION**

SECTIONS:

<a href="#">2-20-001-0001</a>	CREATION OF THE COMMISSION:
<a href="#">2-20-001-0002</a>	TERMS OF OFFICE:
<a href="#">2-20-001-0003</a>	DUTIES:
<a href="#">2-20-001-0004</a>	OPEN SPACES LONG RANGE MANAGEMENT PLAN COMPONENTS:
<a href="#">2-20-001-0005</a>	MEETINGS; ATTENDANCE:

**2-20-001-0001 CREATION OF THE COMMISSION:**

---

There is hereby created an advisory body to be called the "Open Spaces Commission" ("Commission") consisting of the following seven (7) regular members all of whom shall be appointed by the City Council, except for THE designee from the Planning and Zoning Commission: one (1) member from the Planning and Zoning Commission; and six (6) public at-large members. All Commission members shall be voting members. A Chairperson shall be selected by a majority vote of those members at a meeting called for that purpose. (Ord. No. 2007-08, Amended, 02/06/2007; Ord. 2014-28, Amended, 11/18/2014; Ord. 2015-22, Amended, 01/05/2016)

**2-20-001-0002 TERMS OF OFFICE:**

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Appointments from the Planning and Zoning Commission ~~and the Parks and Recreation Commission~~ to the Open Spaces Commission shall be for no longer than the remaining term of the ~~appointing Commission's~~ designee. Terms of all other appointees shall be for three years. ~~except for the first appointments creating staggered terms as follows: The City Council shall appoint two members for three year (3) terms, two members for two (2) year terms, and two members for one (1) year terms. After the initial appointment all terms thereafter will be three (3) year terms.~~

**2-20-001-0003 DUTIES:**

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- A. It shall be the Commission's duty to advise the City Council on acquisition, preservation, and alternatives for open space land management.
- B. The duties of the Commission shall also include, but not be limited to: Reviewing and advising the City Council on the development of an Open Spaces Long Range Management Plan and policies to provide broad, long-term direction for planning and decision-making for OPEN SPACE LANDS ~~the lands designated as Urban Open Space Management Area in the Urban Open Spaces Plan of the Flagstaff Area Regional Land Use and Transportation Plan.~~
- C. Advising and assisting the Mayor and City Council on ways to educate and involve the community on the value, protection, and stewardship of open space lands.
- D. Advising and assisting the Mayor and City Council on ways to work collaboratively with other governmental entities, organizations, and departments to advance and ensure the implementation of the Open Spaces Long Range Management Plan and the CURRENT Flagstaff Area Regional ~~Land Use and Transportation~~ Plan.

E. Advising and assisting the Mayor and City Council regarding regional open space issues as well as to any regional open spaces coalition that may be formed in the future relative to lands designated as open space in the Greater Flagstaff Area Open Spaces and Greenways Plan.

F. Obtaining public input and participation in various programs such as environmental education and interpretation on the use, operation, and management of open space and providing information concerning the goals, projects, and operations of the eOpen sSpace SECTION.

G. WITH RESPECT TO THE PARKS AND RECREATION PORTION OF THE BED, BOARD AND BOOZE TAX ALLOCATED UNDER CHAPTER 3-06, HOSPITALITY INDUSTRY TAX REVENUES, THE COMMISSION SHALL MAKE JOINT RECOMMENDATIONS, ALONG WITH THE PARKS AND RECREATION COMMISSION, TO THE COUNCIL CONCERNING THE ANNUAL BUDGETARY ALLOCATION OF THE PARKS AND RECREATION PORTION OF THIS TAX, TO INCLUDE BUT NOT LIMITED TO:

1. DEVELOPING PARKS AND RECREATION FACILITIES, OPEN SPACE, AND PROGRAMS AS NEEDED TO BENEFIT THE COMMUNITY AND ITS VISITORS.
2. FUNDING FOR THE FLAGSTAFF URBAN TRAILS SYSTEM DEVELOPMENT AND MAINTENANCE.
3. DEVELOPING, ACQUIRING, AND DISTRIBUTING MATERIAL TO PROMOTE PARKS AND RECREATION.
4. RETAINING OF APPROPRIATE STAFF TO IMPLEMENT APPROVED PROGRAMS.

**2-20-001-0004 OPEN SPACES LONG RANGE MANAGEMENT PLAN COMPONENTS:**

A. The components of the Open Spaces Long Range Management Plan shall include, but not be limited to:

1. Program goals, management decision-making processes, and implementation techniques for resource preservation.
2. Policies to provide the framework for more issue- or site-specific planning and implementation.
3. Criteria for the acquisition of lands that are consistent with open space goals and policies set forth in the Open Spaces Long Range Management Plan.
4. Plans for the management of the open spaces to achieve the goals of the Open Spaces Long Range Management Plan using such studies and data as property inventories, the nature and significance of the natural and cultural resources, plant and animal species ecosystems, existing uses and conditions, and interactions and connections between natural areas and between developed and undeveloped areas.
5. Developing, identifying, and recommending the use of various methods, such as intergovernmental agreements, rights-of-way for access, and grants, to assure protection of critical open space lands.

6. Policies to monitor, maintain, enhance, and restore, where necessary, natural and cultural resources, uses, accesses, trails, and facilities.
7. Public participation, education, and interpretive programs.

#### **2-20-001-0005 MEETINGS; ATTENDANCE:**

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The Commission shall meet on a quarterly basis, at a minimum, at such times, dates, and locations as determined by the members, except that the chairperson may call a special meeting with not less than twenty-four (24) hours' notice. All other rules or procedures shall be established by the members so long as the rules are consistent with state law, including the Open Meetings Law, the City Charter, and this chapter.

A quorum shall consist of four (4) voting members of the Commission.

A regular Commission member who is absent for three (3) consecutive regular meetings may be removed from the Commission by a vote of the City Council. (Ord. 2003-03, Enacted, 02/04/03; Ord. 2007-08, Amended 02/06/2007; Ord. 2016-30, Amended, 07/05/2016)

**CHAPTER 3-06  
HOSPITALITY INDUSTRY TAX REVENUES**

SECTIONS:

<a href="#">3-06-001-0001</a>	DEFINITIONS
<a href="#">3-06-001-0002</a>	DISTRIBUTION OF HOSPITALITY INDUSTRY TAX REVENUES
<a href="#">3-06-001-0003</a>	FINANCIAL CONTROL
<a href="#">3-06-001-0004</a>	EXEMPTION

**3-06-001-0001 DEFINITIONS**

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"Arts and sciences" means support for Flagstaff arts, scientific and cultural activities, events, and organizations to provide direct and indirect citizen participation and enhancement of the overall quality of life and community image including support of public art.

"Beautification" means any modification of the urban physical environment to increase pleasure to the senses or pleurably exalt the mind or spirit or strengthen the urban design framework of the City.

"Economic development" means the encouragement, promotion, and assistance of the expansion of economic activity for the purposes of expanding revenue and providing jobs to the community.

"Hospitality industry" means those establishments engaged in business as bar/lounge, restaurant, or hotel/motel/campground.

"Hospitality industry tax revenues" means the revenues collected from the two percent (2%) local transaction privilege tax imposed on the lodging, restaurant, and lounge businesses by Ordinance No. 1532, as extended through March 31, 2028, by approval of a majority of the qualified electors voting in the City general election held on May 18, 2010. This tax is referred to as the "Bed, Board, and Booze Tax" or "BBB Tax" and is part of the total tax rate imposed pursuant to the City tax code, Sections [3-05-004-0444](#), Hotels, and 3-05-004-0455, Restaurants and Bars.

"Parks and recreation" means the development and management of public parks, **OPEN SPACE**, recreational facilities, and programs which are available to the residents and visitors including funding the Flagstaff urban trail system.

"Tourism" means the guidance, management, marketing, accommodation, promotion, and encouragement of tourists.

"Tourists/visitors" means individuals or groups which visit Flagstaff and surrounding areas for business, recreational, educational, scientific, or cultural purposes. (Ord. No. 1902, Amended, 12/19/95; Ord. 2014-15, Amended, 07/15/2014; Ord. 2015-22, Amended, 01/05/2016)

**3-06-001-0002 DISTRIBUTION OF HOSPITALITY INDUSTRY TAX REVENUES**

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There shall be a separate accounting for all hospitality industry tax revenues collected. Said funds shall be distributed and expended consistent with City ordinances, the City Charter, and State law. The funds collected shall be allocated as follows:

- A. Thirty percent (30%) for tourism in conformance with Chapter [2-13](#), Tourism Commission.



B. Twenty percent (20%) for beautification in conformance with Chapter [2-14](#), Beautification and Public Art Commission.

C. Nine and one-half percent (9.5%) for economic development in conformance with Section [3-06-001-0003](#)(C).

D. Thirty-three percent (33%) for parks and recreation, in conformance with Chapter [2-03](#), Parks and Recreation Commission, [AND CHAPTER 2-20, OPEN SPACES COMMISSION](#).

E. Seven and one-half percent (7.5%) for arts and science in conformance with Chapter [2-14](#), Beautification and Public Art Commission. (Ord. No. 1902, Amended, 12/19/95; Ord. 2014-15, Ren&Amd, 07/15/2014. Formerly 3-06-001-0003; Ord. 2015-22, Amended, 01/05/2016)

### **3-06-001-0003 FINANCIAL CONTROL**

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A. Tourism. Those funds designated for tourism shall be administered pursuant to Chapter [2-13](#), Tourism Commission.

B. Beautification. Those funds designated for beautification and public art shall be administered pursuant to Chapter [2-14](#), Beautification and Public Art Commission.

C. Economic Development. Those funds designated for economic development shall be administered as follows:

The City Council shall:

1. Appoint or act as an Economic Development Commission;
2. Designate an appropriate public or private economic development agency. Said agency shall be composed of at least two (2) City Council persons and additional members as required;
3. This public or private agency shall:
  - a. Develop and transmit to the Council an annual master plan outlining the Commission's or public or private agency's program recommendations for the upcoming year. Said plan shall be presented to the Council prior to April 1st of each year.
  - b. Make recommendations to the Council concerning the annual budgetary allocation of the economic development portion of this tax, to include but not be limited to:
    - (1) Developing, acquiring, and distributing advertising material to promote economic development.
    - (2) Providing financial assistance programs to stimulate relocation and retention of ~~industrial~~ [APPROPRIATE BUSINESS](#) prospects to Flagstaff.

(3) SUPPORT BUSINESS DEVELOPMENT, INCUBATION, AND ACCELERATION ACTIVITIES USING PARTNER ORGANIZATIONS, DATA ANALYTICS, AND OTHER TOOLS TO ENCOURAGE ENTREPRENEURSHIP.

(34) Retaining of appropriate staff to implement approved programs.

(45) Perform those additional duties determined by the Council as set forth by ordinance.

D. Parks and Recreation. Those funds designated for parks and recreation shall be administered pursuant to Chapter 2-03, Parks and Recreation Commission, AND CHAPTER 2-20, OPEN SPACES COMMISSION.

E. Arts and Science. Those funds designated for arts and science, including an annual amount allocated by the City Council for the support and development of the City's public art program, shall be administered pursuant to Chapter 2-14, Beautification and Public Art Commission. (Ord. No. 1902, Amended, 12/19/95; Ord. 2002-04, Amended, 03/05/2002; Ord. No. 2006-14, Amended, 05/16/2006; Ord. 2014-15, Ren&Amd, 07/15/2014; Ord. 2015-22, Amended, 01/05/2016. Formerly 3-06-001-0004)

**3-06-001-0004 EXEMPTION**

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The hospitality industry tax revenues shall be exempt from the limits imposed on spending by Article IX, Section 20, of the Arizona State Constitution. (Ord. 1532, 11-17-87; Ord. 2014-15, Ren&Amd, 07/15/2014. Formerly 3-06-001-0006)

**ORDINANCE NO. 2024-16**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 2, BOARDS AND COMMISSIONS, CHAPTERS 2-03, PARKS AND RECREATION COMMISSION, 2-13, TOURISM COMMISSION, 2-14, BEAUTIFICATION AND PUBLIC ART COMMISSION, AND 2-20, OPEN SPACES COMMISSION, AND TITLE 3, BUSINESS REGULATIONS, CHAPTER 3-06, HOSPITALITY INDUSTRY TAX REVENUES, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED *"2024 AMENDMENTS TO CHAPTERS 2-03, 2-13, 2-14, 2-20, AND 3-06 OF THE CITY CODE RELATED TO THE PARKS AND RECREATION COMMISSION, TOURISM COMMISSION, BEAUTIFICATION AND PUBLIC ART COMMISSION, OPEN SPACES COMMISSION, AND HOSPITALITY INDUSTRY TAX REVENUES,"* PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE**

**RECITALS:**

WHEREAS, the Tourism, Parks and Recreation, Open Spaces, and Beautification and Public Arts commissions' ordinances were established in 1988; and

WHEREAS, the proposed amendments to Chapters 2-03, 2-13, 2-14, and 2-20 update the respective commission's duties and objectives, which are outdated and no longer coincide with industry need; and

WHEREAS, the proposed amendments to Chapter 3-06 clarify that the Open Spaces Commission will be involved in making recommendations regarding allocation of the parks and recreation portion of the hospitality industry tax revenues.

**ENACTMENTS:**

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:**

SECTION 1. That certain document known as "2024 Amendment to Chapters 2-03, 2-13, 2-14, 2-20, and 3-06 of the City Code Related to the Parks and Recreation Commission, Tourism Commission, Beautification and Public Art Commission, Open Spaces Commission, and Hospitality Industry Tax Revenues," one (1) paper copy and one (1) electronic copy of which are on file in the office of the City Clerk of the City of Flagstaff, Arizona, has been declared a public record by Resolution No. 2024-22 of the City of Flagstaff, Arizona, and is hereby referred to, adopted, and made a part hereof as if fully set out in this ordinance.

**SECTION 2. Repeal of Conflicting Ordinances**

All ordinances and parts of ordinances in conflict with the provisions of the code adopted herein are hereby repealed.

**SECTION 3. Severability**

If any section, subsection, sentence, clause, phrase, or portion of this ordinance or any part of the code adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

**SECTION 4. Clerical Corrections**

The City Clerk is hereby authorized to correct clerical and grammatical errors, if any, related to this ordinance, and to make formatting changes appropriate for purposes of clarity, form, or consistency with the Flagstaff City Code.

**SECTION 5. Effective Date**

This Ordinance shall be effective thirty (30) days following adoption by the City Council.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 18th day of June, 2024.

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MAYOR

ATTEST:

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CITY CLERK

APPROVED AS TO FORM:

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CITY ATTORNEY



# Bed, Board, & Booze (BBB) Related Code Updates June 4, 2024



# What is the BBB?

2 % tax paid at every hotel/motel, campground, short-term rental, restaurant, and bar in the city.



# What services receive BBB Funding?



Parks & Recreation	33 %
Tourism & Visitor Services	30 %
Beautification	20 %
Economic Development	9.5 %
Arts & Science	7.5 %

# BBB Code Change and Renewal Timeline

- January 2023 Retreat
- February 2024 Retreat
- April 2024 Tax Renewal and Code Change Discussion
- June 4 and 18, 2024 – Ordinance 1<sup>st</sup> and 2<sup>nd</sup> Read - BBB Code Updates
- June 2024 – Call the Election (City Council)
- November 2024 Ballot





# BBB Code Change Recommendations:

- Parks and Recreation
- Tourism & Visitor Services
- Economic Development
- Beautification
- Arts & Sciences



# BBB Code Change Recommendations:

## Parks and Recreation / Open Space

- Update P&R Commission language to include review of BBB expenditures “along with the Open Spaces Commission,” and add open spaces to the definition of “parks and recreation”
- Update OS Commission language to mirror P&R Commission re: BBB expenditures
- Update Hospitality Industry Tax Revenues code to include open space in the definition of “parks and recreation”
- Other minor revisions



# BBB Code Change Recommendations:

## Tourism & Visitor Services

- Update Tourism Commission language
  - Update “tourists” to “visitors”
  - Update language regarding review of CVB expenditures
  - Update planning language to a two-year strategic plan under guidance of CVB (Discover Flagstaff)
- Other minor revisions



# BBB Code Change Recommendations:

## Economic Development

- Update language from “industrial” to “appropriate business”
- Add language to support business development, incubation, and acceleration activities using partner organizations, data analytics, and other tools to encourage entrepreneurship



# BBB Code Change Recommendations:

## Beautification and Arts & Sciences

- Update Beautification and Public Art Commission language
- Update expenditure limit from \$50,000 to \$100,000
- Other minor revisions





Questions?

Thank you!

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Erin Young, Water Resources Manager  
**Co-Submitter:** Rick Tadder  
**Co-Submitter:** Shannon Jones  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024




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**TITLE**

**Discussion and Direction following Council's Revisions to Water, Wastewater, and Reclaimed Water Model Assumptions and Resulting Rates**

**STAFF RECOMMENDED ACTION:**

The desired outcome is for the Council to confirm their recommended rate model revisions to develop the final rates package for Council consideration at the June 18 and July 2 public hearings.

**Executive Summary:**

City staff and the City's Consultant, Stantec, have been discussing the water and sewer rate study components with the Water Commission and City Council since September 2023. There have been discussions about financial planning; capacity fees; rate design priorities; water, sewer, and reclaimed water rates; and miscellaneous fees. During today's presentation, City staff will present the results to the water, wastewater, and reclaimed water rates from adjusting the model assumptions as directed by Council at their May 21st meeting. The desired outcome is for the Council to confirm their recommended revisions to develop the final rates package for Council consideration at the June 18 and July 2 public hearings.

**Information:**

The previous rates proposal provided to Council on April 16th incorporated the following assumptions: a 100% annual execution rate of the Capital Improvement Plan (CIP), a debt limit of 30% on water and 21% on wastewater, a 1% growth rate, and a cost escalation adjustment of 3.5% for the majority of the operating expenses (about 75% of the total expenses including salaries and benefits), 6% for chemical, utilities, and equipment maintenance (about 25% of the total expenses), and 4% on the capital program. The resulting rate increases were as follows:

- 15% each year for 5 years for the water fund
- 25%, 25%, 15%, 10%, 5% for the wastewater fund
- Reclaimed rates remain based on the percentage of the water rates
- Capacity Fees and Miscellaneous Fees changes vary based on cost of services

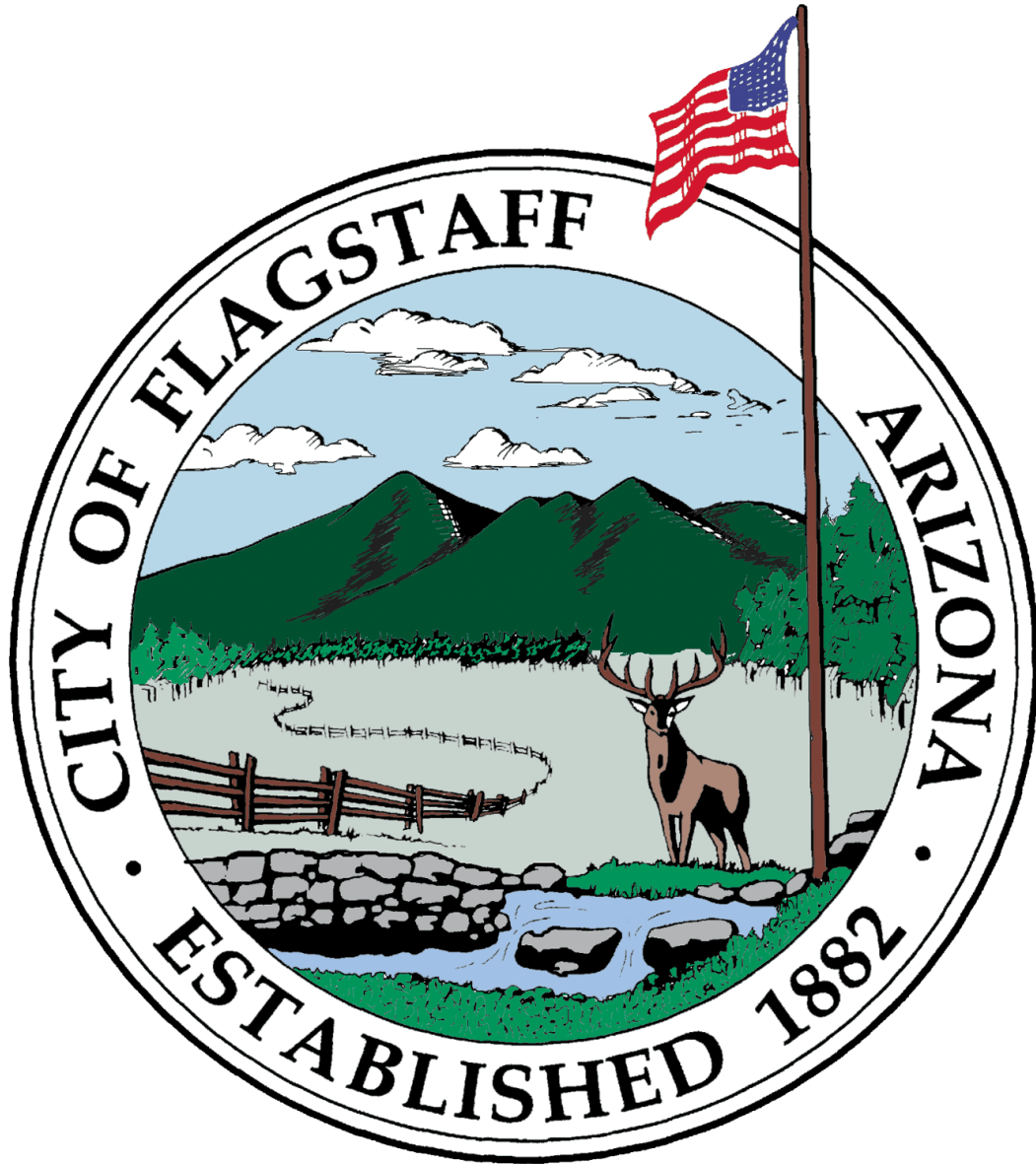
Staff and Stantec modified the proposed rate changes following Council direction from the May 21st meeting. At this meeting, Council directed staff to retain the growth rate and cost escalation adjustments but to reduce the capital program and increase combined debt. Staff and Stantec are proposing an 86% annual execution rate of the CIP for the water and wastewater funds with a maximum combined (water, wastewater, reclaimed water and stormwater) limit on borrowing of 38%. The new proposed adjustments to rates are:

- 10% each year for 5 years for the water fund
- 20%, 20%, 10%, 5%, 5% for the wastewater fund
- Reclaimed rates remain based on the percentage of the water rates
- Capacity Fees and Miscellaneous Fees are the same as presented previously

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**Attachments:** [Presentation](#)





# City of Flagstaff, AZ

## Water, Reclaimed Water, & Wastewater Cost-of-Service Study

*Council Directed Scenario*

*City Council Meeting  
June 4, 2024*



# Matrix of Factors for Direction Presented on May 21

Factor	Low	Medium	High	Council Direction
Growth	0.5%	1.0%	1.25%	1%
Escalation	2.4%	3.5%	4.5%	3.5%
Total CIP Funding				
Water	78%	90%	100%	80-95%
Wastewater	81%	90%	100%	80-95%
Debt Financing as % of CIP				
Water	30%	43%	56%	30-56%
Wastewater	21%	30%		21-30%



# Results for Adjusted Model Assumptions

Factor	Low	Medium	High	Council Direction	Results
Growth	0.5%	1.0%	1.25%	1%	1%
Escalation	2.4%	3.5%	4.5%	3.5%	3.5%
Total CIP Funding					
Water	78%	90%	100%	80-95%	86%
Wastewater	81%	90%	100%	80-95%	86%
Debt Financing as % of CIP					
Water	30%	43%	56%	30-56%	44%
Wastewater	21%	30%		21-30%	27%
Combined					38%



# Council Directed Scenario Impact on Rate Projections

86% CIP Execution & 38% Combined Debt			Annual Rate Increase					
	Total CIP (FY 25 – FY 33)	Total CIP Funding from Debt Proceeds (FY 25 – FY 33)	FY 25	FY 26	FY 27	FY 28	FY 29	FY30-33
Previous	\$185.6M	\$54.9M (30%)	15%	15%	15%	15%	15%	5%
Final	\$163.0M	\$72.5M (44%)	10%	10%	10%	10%	10%	5%
Previous	\$112.6M	\$24.0M (21%)	25%	25%	15%	10%	5%	5%
Final	\$96.9M	\$26.4M (27%)	20%	20%	10%	5%	5%	5%
Combined Final	\$260.0M	\$98.9M (38%)	10% / 20%	10% / 20%	10% / 10%	10% / 5%	10% / 5%	5% / 5%

Water Factors

Wastewater Factors



# Projected Bill Impacts



# Water Rate Structure – Council Directed Scenario Rate Projections

- CIP Reduction – average \$2.51M per year
- Rate Projection – 5% reduction
- Total Bill = Fixed Monthly Meter Charge + Volume Charge

<b>WATER RATES - Council Directed Scenario (Fixed Charge)</b>						
		September 1st, 2024 - December 31st, 2025	January 1st, 2026 - December 31st, 2026	January 1st, 2027 - December 31st, 2027	January 1st, 2028 - December 31st, 2028	January 1st, 2029 - December 31st, 2029
<b>Meter Size:</b>		Inside City Limits	Inside City Limits	Inside City Limits	Inside City Limits	Inside City Limits
0.75		\$14.23	\$15.65	\$17.22	\$18.94	\$20.83
1		\$18.58	\$20.44	\$22.48	\$24.73	\$27.20
1.5		\$29.45	\$32.39	\$35.63	\$39.20	\$43.12
2		\$42.49	\$46.74	\$51.42	\$56.56	\$62.21
3		\$83.80	\$92.18	\$101.40	\$111.54	\$122.70
4		\$116.41	\$128.06	\$140.86	\$154.95	\$170.44
6		\$290.35	\$319.38	\$351.32	\$386.45	\$425.10
8		\$355.57	\$391.13	\$430.24	\$473.26	\$520.59
10		\$920.85	\$1,012.93	\$1,114.23	\$1,225.65	\$1,348.21

<b>WATER RATES - Council Directed Scenario (Volume)</b>						
		September 1st, 2024 - December 31st, 2025	January 1st, 2026 - December 31st, 2026	January 1st, 2027 - December 31st, 2027	January 1st, 2028 - December 31st, 2028	January 1st, 2029 - December 31st, 2029
<b>POTABLE WATER: (per 1,000 gallons)</b>		Inside City Limits	Inside City Limits	Inside City Limits	Inside City Limits	Inside City Limits
Single Family	Tier 1 (0 - 3,500 gallons)	\$4.28	\$4.71	\$5.18	\$5.70	\$6.27
	Tier 2 (3,501 - 6,200 gallons)	\$4.60	\$5.06	\$5.57	\$6.12	\$6.73
	Tier 3 (6,201 - 11,500 gallons)	\$9.19	\$10.11	\$11.12	\$12.23	\$13.46
	Tier 4 (11,501+ gallons)	\$18.39	\$20.23	\$22.25	\$24.48	\$26.92
Multi-Family		\$4.75	\$5.23	\$5.75	\$6.32	\$6.95
Commercial/Schools		\$5.67	\$6.24	\$6.86	\$7.55	\$8.30
Institutional		\$5.67	\$6.24	\$6.86	\$7.55	\$8.30
Manufacturing		\$5.33	\$5.86	\$6.45	\$7.09	\$7.80
Landscaping/Lawn Meters		\$10.05	\$11.06	\$12.16	\$13.38	\$14.71
Hydrant Meter		\$7.46	\$8.21	\$9.03	\$9.93	\$10.92
Standpipe**		\$7.41	\$8.15	\$8.97	\$9.86	\$10.85

\*Inside city rates. All rates exclude taxes and energy fee

**DRAFT – FOR DISCUSSION PURPOSES**



# Reclaimed Water Rate Structure – Council Directed Scenario Rate Projections

RECLAIMED WATER RATES - Council Directed Scenario (Fixed Charge)							
		September 1st, 2024 - December 31st, 2025	January 1st, 2026 - December 31st, 2026	January 1st, 2027 - December 31st, 2027	January 1st, 2028 - December 31st, 2028	January 1st, 2029 - December 31st, 2029	
<b>Meter Size:</b>		<b>Inside City Limits</b>	<b>Inside City Limits</b>	<b>Inside City Limits</b>	<b>Inside City Limits</b>	<b>Inside City Limits</b>	
	0.75	\$14.23	\$15.65	\$17.22	\$18.94	\$20.83	
	1	\$18.58	\$20.44	\$22.48	\$24.73	\$27.20	
	1.5	\$29.45	\$32.39	\$35.63	\$39.20	\$43.12	
	2	\$42.49	\$46.74	\$51.42	\$56.56	\$62.21	
	3	\$83.80	\$92.18	\$101.40	\$111.54	\$122.70	
	4	\$116.41	\$128.06	\$140.86	\$154.95	\$170.44	
	6	\$290.35	\$319.38	\$351.32	\$386.45	\$425.10	
	8	\$355.57	\$391.13	\$430.24	\$473.26	\$520.59	
	10	\$920.85	\$1,012.93	\$1,114.23	\$1,225.65	\$1,348.21	
RECLAIMED WATER RATES - Council Directed Scenario (Volume)							
		September 1st, 2024 - December 31st, 2025	January 1st, 2026 - December 31st, 2026	January 1st, 2027 - December 31st, 2027	January 1st, 2028 - December 31st, 2028	January 1st, 2029 - December 31st, 2029	Percent of Potable Water Rate
<b>RECLAIMED WATER: (per 1,000 gallons)</b>		<b>Inside City Limits</b>	<b>Inside City Limits</b>	<b>Inside City Limits</b>	<b>Inside City Limits</b>	<b>Inside City Limits</b>	<b>Inside City Limits</b>
Private Residential	Tier 1 (0 - 3,500 gallons)	\$1.93	\$2.08	\$2.25	\$2.43	\$2.63	35%
	Tier 2 (3,501 - 6,200 gallons)	\$2.04	\$2.21	\$2.38	\$2.58	\$2.79	
	Tier 3 (6,201 - 11,500 gallons)	\$3.65	\$3.97	\$4.33	\$4.72	\$5.14	
	Tier 4 (11,501+ gallons)	\$6.87	\$7.51	\$8.22	\$9.00	\$9.86	
Commercial (no main Ext):		\$2.42	\$2.62	\$2.84	\$3.08	\$3.34	35%
Commercial (w/ main Ext):		\$5.18	\$5.61	\$6.08	\$6.59	\$7.16	75%
Manufacturing (no main Ext):		\$2.30	\$2.49	\$2.69	\$2.92	\$3.17	35%
Manufacturing (w/ main Ext):		\$4.93	\$5.33	\$5.77	\$6.25	\$6.78	75%
NAU (No main extension):		\$2.42	\$2.62	\$2.84	\$3.08	\$3.34	35%
NAU (with main extension):		\$5.18	\$5.61	\$6.08	\$6.59	\$7.16	75%
Hydrant Meter		\$4.35	\$4.72	\$5.13	\$5.58	\$6.08	50%
Standpipe		\$4.33	\$4.70	\$5.10	\$5.55	\$6.04	50%
Off Peak/Golf Course*		\$2.10	\$2.28	\$2.47	\$2.68	\$2.91	87%
*Rate is 87% of the Commercial (no main extension) reclaimed water rate							

\*Inside city rates. All rates exclude taxes and energy fee

**DRAFT – FOR DISCUSSION PURPOSES**



# Water Projected Average Bill Impacts – Council Directed Scenario

\*Total Bill = Water Fixed Charge + Water Volume Charge

Customer Class	Rep. Meter Size	Avg. Bill Volume (kgals)	Avg. FY 2024 Water Bill	Effective Date 9/1/2024			Effective Date 1/1/2026		Effective Date 1/1/2027		Effective Date 1/1/2028		Effective Date 1/1/2029	
				Total Bill*	\$ Change	% Change	Total Bill*	\$ Change	Total Bill*	\$ Change	Total Bill*	\$ Change	Total Bill*	\$ Change
<b>Previously Proposed Rates</b>							(15% Rate Increase)		(15% Rate Increase)		(15% Rate Increase)		(15% Rate Increase)	
Single Family	¾"	4	\$30.91	\$32.04	\$1.13	3.7%	\$36.84	\$4.81	\$42.37	\$5.53	\$48.72	\$6.36	\$56.03	\$7.31
Commercial/Schools	1"	40	\$207.20	\$255.08	\$47.88	23.1%	\$293.34	\$38.26	\$337.35	\$44.00	\$387.95	\$50.60	\$446.14	\$58.19
<b>Council Directed Scenario</b>							(10% Rate Increase)		(10% Rate Increase)		(10% Rate Increase)		(10% Rate Increase)	
Single Family	¾"	4	\$30.91	\$31.51	\$0.60	1.9%	\$34.66	\$3.15	\$38.13	\$3.47	\$41.94	\$3.81	\$46.13	\$4.19
Commercial/Schools	1"	40	\$207.20	\$245.38	\$38.18	18.4%	\$269.92	\$24.54	\$296.91	\$26.99	\$326.60	\$29.69	\$359.26	\$32.66

Customer Class: Average Bill Increases	Proposed Rates – FY2024 (Current) to FY2029	Council Directed Scenario – FY2024 (Current) to FY2029
Single Family Residential	81%	49%
Commercial/Schools	115%	73%





# Wastewater Rate Structure – Council Directed Scenario Rate Projections

- CIP Reduction – average \$1.74M per year
- Rate Projection – 5% reduction
- Total Bill = Fixed Monthly Meter Charge + Volume Charge

<b>SEWER RATES - Council Directed Scenario (Fixed Charge)</b>					
	September 1st, 2024 - December 31st, 2025	January 1st, 2026 - December 31st, 2026	January 1st, 2027 - December 31st, 2027	January 1st, 2028 - December 31st, 2028	January 1st, 2029 - December 31st, 2029
Meter Charge	Inside City Limits	Inside City Limits	Inside City Limits	Inside City Limits	Inside City Limits
0.75	\$10.03	\$12.04	\$13.24	\$13.90	\$14.60
1	\$16.75	\$20.10	\$22.11	\$23.22	\$24.38
1.5	\$33.40	\$40.08	\$44.09	\$46.29	\$48.60
2	\$53.46	\$64.15	\$70.57	\$74.10	\$77.81
3	\$117.05	\$140.46	\$154.51	\$162.24	\$170.35
4	\$167.20	\$200.64	\$220.70	\$231.74	\$243.33
6	\$334.30	\$401.16	\$441.28	\$463.34	\$486.51
8	\$534.90	\$641.88	\$706.07	\$741.37	\$778.44

<b>SEWER RATES - Council Directed Scenario (Volume)</b>					
	September 1st, 2024 - December 31st, 2025	January 1st, 2026 - December 31st, 2026	January 1st, 2027 - December 31st, 2027	January 1st, 2028 - December 31st, 2028	January 1st, 2029 - December 31st, 2029
SEWER: (per 1,000 gallons)	Inside City Rate	Inside City Rate	Inside City Rate	Inside City Rate	Inside City Rate
<u>Residential</u>					
Residential	\$5.28	\$6.34	\$6.97	\$7.32	\$7.68
<u>Non-Residential</u>					
Non-Residential A	\$4.36	\$5.23	\$5.76	\$6.04	\$6.35
Non-Residential B	\$6.79	\$8.15	\$8.96	\$9.41	\$9.88
Non-Residential C	\$28.23	\$33.88	\$37.26	\$39.13	\$41.08

\*Residential usage based on WQA (usage billed in winter months of December, January, February, March)

\*\*Inside city rate. All rates exclude taxes

DRAFT – FOR DISCUSSION PURPOSES



# Wastewater Projected Average Bill Impacts – Council Directed Scenario

\*Total Bill = Wastewater Fixed Charge + Wastewater Volume Charge

Customer Class	Rep. Meter Size	Avg. Bill Volume (kgals)	Avg. FY 2024 Wastewater Bill	Effective Date 9/1/2024			Effective Date 1/1/2026		Effective Date 1/1/2027		Effective Date 1/1/2028		Effective Date 1/1/2029	
				Total Bill*	\$ Change	% Change	Total Bill*	\$ Change	Total Bill*	\$ Change	Total Bill*	\$ Change	Total Bill*	\$ Change
<b>Proposed Rates</b>							(25% Rate Increase)		(15% Rate Increase)		(10% Rate Increase)		(5% Rate Increase)	
Residential	¾"	4.88	\$26.13	\$38.37	\$12.24	46.8%	\$47.96	\$9.59	\$55.15	\$7.19	\$60.67	\$5.52	\$63.70	\$3.03
Commercial	1"	17.60	\$99.96	\$102.69	\$2.73	2.7%	\$128.36	\$25.67	\$147.62	\$19.25	\$162.38	\$14.76	\$170.50	\$8.12
<b>Council Directed Scenario</b>							(20% Rate Increase)		(10% Rate Increase)		(5% Rate Increase)		(5% Rate Increase)	
Residential	¾"	4.88	\$26.13	\$35.80	\$9.67	37.0%	\$42.96	\$7.16	\$47.25	\$4.30	\$49.61	\$2.36	\$52.09	\$2.48
Commercial	1"	17.60	\$99.96	\$93.49	(\$6.47)	(6.5%)	\$112.19	\$18.70	\$123.41	\$11.22	\$129.58	\$6.17	\$136.06	\$6.48

Customer Class Avg. Bills	Proposed Rates – FY2024 (Current) to FY2029	Council Directed Scenario – FY2024 (Current) to FY2029
Single Family Residential	144%	99%
Commercial	71%	36%

# Rate Study Council Direction Summary

## Minimizing the Impact to the Rate Payer:

- ✓ Utilized Actual Flow Data versus Design Flow Data to minimize Capacity Fee increase
- ✓ Added Solids Loading component to the Capacity Fee calculation to minimize impact to new developments and align costs to those producing higher solids
- ✓ Reduced revenue recovered from Water Base Fee from 29% to 25% to empower water users to have more control over their bill
- ✓ Assumed a 90% execution rate of operating budget
- ✓ Adjusted Residential Tier Rates to reduce bills for water smart customers in both Tier 1 and Tier 2
- ✓ Consolidated Customer Classes to make the structure simpler and reduced rate increases in some cases
- ✓ Adjusted Other Miscellaneous Fees so those receiving services pay those costs and it is not passed on to the rate payer
- ✓ **Increased debt limit and reduced execution rate of the capital program**



# Council Confirmation

Factor	Low	Medium	High	Council Direction	Results
Growth	0.5%	1.0%	1.25%	1%	1%
Escalation	2.4%	3.5%	4.5%	3.5%	3.5%
Total CIP Funding					
Water	78%	90%	100%	80-95%	86%
Wastewater	81%	90%	100%	80-95%	86%
Debt Financing as % of CIP					
Water	30%	43%	56%	30-56%	44%
Wastewater	21%	30%		21-30%	27%
Combined					38%



# Next Steps

- Communicate updates to community
- Preparing final changes to the ordinance
- Public hearing dates
  - June 18
  - July 2



**Thank you!**

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Stacy Saltzburg, City Clerk  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024



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**TITLE**

**Future Agenda Item Request (F.A.I.R.):** A request by Councilmember McCarthy to place on a future agenda a discussion regarding towing and car storage charges and the use of cash versus credit cards.

**STAFF RECOMMENDED ACTION:**

Council Direction

**Executive Summary:**

Rule 4.01, Procedures for Preparation of Council Agendas, of the City of Flagstaff City Council Rules of Procedure outlines the process for bringing items forward to a future agenda. Councilmember Matthews has requested this item be placed on an agenda under Future Agenda Item Requests (F.A.I.R.) to determine if there are two other members of Council interested in placing it on a future agenda.

**Information:**

None

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**Attachments:**

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Stacy Saltzburg, City Clerk  
**Date:** 05/28/2024  
**Meeting Date:** 06/04/2024



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**TITLE**

**Future Agenda Item Request (F.A.I.R.):** A request by Councilmember Matthews to place on a future agenda a discussion about expanding the Employer Assisted Housing program and how to expand the program to local employers for workforce housing using incentives.

**STAFF RECOMMENDED ACTION:**

Council Direction

**Executive Summary:**

Rule 4.01, Procedures for Preparation of Council Agendas, of the City of Flagstaff City Council Rules of Procedure outlines the process for bringing items forward to a future agenda. Councilmember Matthews has requested this item be placed on an agenda under Future Agenda Item Requests (F.A.I.R.) to determine if there are two other members of Council interested in placing it on a future agenda.

**Information:**

None

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**Attachments:**