



TOWN COUNCIL NOTICE & AGENDA

STUDY SESSION
TUESDAY, MAY 13, 2025
5:00 PM

COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY, ARIZONA 86323

***AMENDED* AGENDA PACKET - Attachments added to Study Session Item 2**

- 1. CALL TO ORDER; ROLL CALL**
- 2. Discussion on Water Reclamation Facility upgrade and expansion strategies.**
- 3. ADJOURNMENT**



TOWN COUNCIL NOTICE & AGENDA

REGULAR MEETING
TUESDAY, MAY 13, 2025
6:00 PM

COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY, ARIZONA 86323

A majority of the Councilmembers may attend a private invocation in the Council Conference Room immediately prior to the Council meeting. No Town business will be discussed.

AGENDA

- 1. CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL**
- 2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**
 - Presentation of "Officer of the Year" from The Elks Lodge to Officer John Arietta.
 - Presentation of Life Saving Awards by Chino Valley Police Chief McIntire to Officer J. Ehlert and Officer R. Sanchez.
 - Presentation and recognition to Tom and Rebecca Cutlip of Custom Towing, Chino Valley Small Business of the Quarter.
 - Presentation of Proclamation for Frontline Worker Appreciation Month.
 - Presentation from Donna Norris regarding the AARP Foundation Tax-Aide Program.

3. CALL TO THE PUBLIC - Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism. Public comment is invited and encouraged, however, personal attacks on individuals is not appropriate. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity, and disruptive discussions among our audience.

4. CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

- a. Status reports by Mayor and Council regarding current events.
- b. Status report by Town Manager Terri Denemy regarding Town accomplishments, and current or upcoming projects.

5. CONSENT AGENDA

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

- a. Consideration and possible action to approve the Professional Services Agreements with Tri City Towing and Custom Recovery for towing services.
- b. Consideration and possible action to approve a Public Utility Easement through a Town-owned property at Old Home Manor for power service to the Yavapai College Housing Project.
- c. Consideration and possible action to approve the purchase of a 2025 Ford F550 Fleet Service Truck from San Tan Ford for \$132,429.66.
- d. Consideration and possible action to appoint applicants to fill vacancies on the Capital Improvement Program Citizen's Advisory Committee (CIPCAC), Parks and Recreation Advisory Board (PRAB), and Board of Adjustment (BOA) per recommendations of the Appointments Subcommittee.
- e. Consideration and possible action to approve the March 25, 2025, study session and regular meeting minutes.

- f. Consideration and possible action to approve the April 8, 2025, study session and regular meeting minutes.

6. ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

- a. Consideration and possible action to approve Ordinance No. 2025-952, amending the Town Code to create a new section regarding urban camping.

Recommended Action: Approve Ordinance No. 2025-952, amending the Town Code to create a new section regarding urban camping.

- b. Consideration and possible action to enter into an Intergovernmental Agreement with Yavapai County for the Town to use "Home of my Own" building plans.

Recommended Action: Approve the Intergovernmental Agreement with Yavapai County for the Town to use "Home of my Own" building plans.

- c. Continuation of public hearing, consideration, and possible action to approve Resolution No. 2025-1282, adopting a new consolidated fee schedule, and to approve Ordinance No. 2025-951, amending Town Code Chapter 51 - Water and Sewers.

Recommended Action: 1) Continue the public hearing; 2) Approve Resolution No. 2025-1282, adopting the new consolidated fee schedule with an effective date of July 1, 2025; 3) Approve Ordinance No. 2025-951, amending Chapter 51 - Water and Sewers.

- d. Consideration and possible action to adopt a notice of intent and set a public hearing to consider increasing the transaction privilege tax rate on manufactured building sales.

Recommended Action: Adopt the Notice of Intent and set a public hearing for August 26, 2025, to consider increasing the transaction privilege tax rate to 2.6% on manufactured building sales.

- e. Consideration and possible action to award a Construction Manager at Risk (CMAR) Agreement to Felix Construction Company for pre-construction and potential construction services related to the Water Reclamation Facility Improvement Project.

Recommended Action: Award a Construction Manager at Risk Agreement (CMAR) to Felix Construction Company for pre-construction and potential construction services related to the Water Reclamation Facility Improvement Project

7. ADJOURNMENT

Dated this 6th day of May, 2025.

By: *Erin N. Deskins, Town Clerk*

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 928-636-2646 (voice) or 711 (Telecommunications Arizona Relay Service) 48 hours prior to the meeting to request reasonable accommodation to participate in this meeting.

Council meetings are live-streamed on the Town of Chino Valley website, www.chinoaz.net.

CERTIFICATION OF POSTING

The undersigned hereby certifies that a copy of this notice was duly posted at Chino Valley South Campus, Chino Valley Post Office, and Chino Valley North Campus in accordance with the statement filed by the Town Council with the Town Clerk.

Date: _____

Time: _____

By: _____

Erin N. Deskins, Town Clerk



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 2
MEETING DATE: 5/13/2025
CONTACT PERSON: Frank Marbury, Public Works Director/Town Engineer
ITEM TYPE: Presentation

AGENDA ITEM TITLE:

Discussion on Water Reclamation Facility upgrade and expansion strategies.

SUMMARY:

This presentation will summarize the major projects needed for the Water Reclamation Facility. Attached are four items:

1. Item description and summary
2. The 2023 Technical Memo discussion the water quality treatment alternatives for the EQ basins.
3. The 2024 Phasing Plan to maximize grant funding from WIFA.
4. The 2025 Memo and Cost Estimate for the eventual expansion of the plant after the water quality improvements.

PREVIOUS ACTION:

April 9, 2024 - Approval of the Design Contract with PACE Engineering.

STAFF RECOMMENDATION:

N/A

FISCAL IMPACT?

N/A

ATTACHMENTS:

1.	WRF Study Session Summary
2.	02 2023 PACE Technical Memo for water quality alternatives
3.	03 2024 Project Phasing Memo
4.	04 2025 Plant Expansion Memo and Cost Estimate

May 13, 2025

WRF Council Study Session – Council Packet
Study Session Discussion Details

TIMELINE

The information below will discuss the process in evaluating the Water Reclamation Facility (WRF) and the various activities brought before Council since 2023.

1. In early 2023, Town staff and leadership met to discuss whether it was in the best interest of the Town to expend a significant amount of capital dollars to expand the current plant, assess if this could be delayed to allow more time to evaluate long-term water reclamation options. Town Staff and leadership decided to enlist professional services to help assess the situation and provide information for long-term decision making.
2. 2023 - PACE Engineering was selected to conduct a WRF assessment to determine if the plant could be modified to delay the very costly expansion to the existing WRF and to evaluate alternatives if the plant needed to be expanded sooner. The option to modify the plant was selected over moving ahead with plant expansion. The selected option could delay plant expansion by as much as 10 years.
3. 2023 – The Town Staff issued an RFQ for engineering services for modification of the WRF.
4. 2024 – PACE Engineering was selected and contracted to perform engineering services for the modification of the WRF.
5. 2024 – WRF Staff identified additional appurtenances needing updating or replacing that increase costs substantially.
6. 2024 – Dan Jackson of Willdan met with Town Staff and presented to Council demonstrating that the current 5-year rate plan can pay for the new debt service incurred by both sewer and water capital projects being proposed.
7. 2024 – Town Staff and WIFA staff discuss 60% loan and 40% grant opportunities if each phase of work that created a WRF phased work approach. Staff proposed a new split phase of work for the WRF modification project.
8. 2025 – Town Staff release the request for qualification (RFQ) for the WRF Construction Manager at Risk (CMAR) to prepare for the WRF final engineering and construction of the WRF.
9. 2025 – Most qualified vendor selected for CMAR and will be coming to Council for consideration.
10. 2025 – WIFA debt authorizations and loan and grant approvals needed by Council for all activities to move forward.

INTRODUCTION

The Town of Chino Valley's Old Home Manor Water Reclamation Facility (WRF) is currently located within Old Home Manor in the central portion of the Town. All existing wastewater must be pumped to the plant via the sole lift station located near the Santa Cruz Wash. Development that is connected to the south of the WRF can discharge their sewage by gravity to the existing lift station. The question before us was whether to:

- 1) invest a considerable amount of capital in expanding the current facility, or
- 2) invest minimally in plant modifications that will allow it to better treat varied flows, while long-term water reclamation facility location and expansion needs could be explored.

May 13, 2025

WRF Council Study Session – Council Packet

Study Session Discussion Details

DISCUSSION

The current WRF is experiencing daily peak flows that are creating stresses on the treatment systems both in volume, and water quality. Currently the WRF is struggling with nitrogen reductions to meet discharge permit limits. To best utilize ratepayer / taxpayer dollars for the WRF, the Town employed PACE Engineering (2023) to perform an analysis of the Water Reclamation Facility to help assess the existing capacity and the various options of better processing and treatment of varied high volumes of sewage. PACE analyzed several alternative paths for providing the most cost effective and immediate action to increase treatment optimization, update the plant, and utilize monies available from state and federal agencies, then revised the scope to be phased to fit within WIFA funding parameters, all of which allowed more time for long range planning for the future water reclamation facility needs.

The PACE Technical memorandum (**PACE Engineering WRF Assessment 2023**) provided alternatives for consideration and allowing for optimized WRF operations that both address incoming flow volumes, biological loading, and water quality issues. Staff recommended Alternative 2A which included / achieved the following:

- 1) The construction of two 100,000-gallon flow equalization basins would be constructed east and north of the current treatment basins;
- 2) The treatment capacity of average flow of 0.36 MGD and max flow of 0.52 MGD would expand to an average 0.5 MGD average flow and 0.85 MGD of max flow;
- 3) Solve peak flow and biological loading challenges;
- 4) Extend treatment capacity of the facility by ~10 years – based on the 2023 assessment;
- 5) Nothing in the modification plan is “throwaway” and can be utilized in the future expansions of the facility when it is required.

The total for this alternative in 2023 was \$2.85 Million. The leadership supported this alternative and moving this effort forward.

May 13, 2025

WRF Council Study Session – Council Packet

Study Session Discussion Details

After the PACE Assessment was presented to the Town Council in 2023, the Town Staff moved forward with a Request for Qualifications (RFQ) for engineering services for designing Alternative 2A at the Water Reclamation Facility. In early 2024 the RFQ winner (PACE Engineering) was approved by the Council and hired (\$800k project) to start the design work for Alternative 2A for the WRF.

During this work, the WRF operators discussed numerous outdated, failing, or under-rated equipment and site improvements at the plant that were needed, which quickly raised the new total of Alternative 2A to slightly more than \$9 Million (see table below with breakdown).

At the same time Town Staff were working with WIFA funding and creating WIFA phasing work and applications.

WWTP Construction Cost Estimate	Original Estimate 6/1/23	Current Estimate 9/9/24	Updates:
Site Improvements	-	\$1,167,652	Adds grading, drainage, sidewalk, curb, asphalt and offsite lift station improvements
Headworks Improvements	-	\$215,120	Adds an odor control system on existing headworks
Equalization Basins	\$955,000	\$1,498,200	Includes lift station basin mixing and aeration system. Adds a coarse screen, stairs, railing, grating, valves and instrumentation
Effluent Pump Station Improvements	\$300,000	\$105,000	Includes UV
Dewatering Improvements	\$350,000	\$1,064,397	Includes dewatering unit. Adds sludge storage, polymer dosing, piping and valving
New Vactor Truck Receiving Station	-	\$127,700	Adds receiving station, piping and valving
Existing MBR Basin Improvements	\$65,000	-	Removes Micro C dosing system
Site Electrical Improvements	\$200,000	\$681,000	Includes site electrical
Subtotal	\$1,870,000	\$4,859,069	
Contractor GC/OVHD/Profit/Contingency	\$751,500	\$2,186,581	
Total Construction Cost	\$2,621,500	\$7,045,650	
Engineering Design		\$826,915	Under contract.
Non-Construction Cost (estimated at 18%)	\$435,870	\$441,302	Includes permit fees, ADEQ and county review fees, administrative costs, legal and financial services
Total Capital Costs	\$3,057,370	\$8,313,867	
Sewer Vactor Truck		\$650,000	
PFAS Treatment System Design	\$259,800	\$259,800	Requires additional authorization
TOTAL	\$3,317,170	\$9,223,667	

May 13, 2025

WRF Council Study Session – Council Packet
Study Session Discussion Details

With improved engineering at the 30% design work performed by PACE, the new total budget is estimated at just over \$8 million (see split phase proposed WIFA budget below in table).

Table 1 – Chino Valley Phase 1 WRF 30% Construction Cost Estimate

Chino Valley Phase I WRF 30% Construction Cost Estimate	
Description	Total Cost
Site Improvements	\$ 61,600.00
Odor Control Improvements	\$ 215,120.00
Equalization Basin Pump Station	\$ 810,800.00
Equalization Basins	\$ 687,400.00
Dewatering Improvements	\$ 281,000.00
Site Electrical Improvements	\$ 669,000.00
Construction Subtotal:	\$ 2,724,920.00
Contractor GC/OVHD/Profit/Contingency	\$ 1,498,706.00
Total Construction Cost:	\$ 4,223,626.00

Table 2 - Chino Valley Phase 2 WRF 30% Construction Cost Estimate

Chino Valley WRF Phase II 30% Construction Cost Estimate	
Description	Total Cost
Site Improvements	By Owner
Headworks Odor Control Improvements	\$ 215,120.00
Effluent Pump Station Improvements	\$ 105,000.00
Dewatering Improvements	\$ 783,397.00
New Vector Truck Receiving Station	\$ 127,700.00
New Vector Truck	\$ 650,000.00
Site Electrical Improvements	\$ 567,000.00
Construction Subtotal:	\$ 2,448,217.00
Contractor GC/OVHD/Profit/Contingency	\$ 1,346,519.35
Total Construction Cost:	\$ 3,794,736.35

May 13, 2025

WRF Council Study Session – Council Packet

Study Session Discussion Details

SUMMARY

Concerns arose regarding this new increased debt service with WIFA and the limited number of rate payers within the sewer utility. To better understand how rates would support programmed debt service within the current water and sewer rate model adopted by the Council, the information was reviewed. The Town's economist (Dan Jackson of Willdan) was brought before the council to explain the adopted rate model and rate supported debt service that was programmed into the current Council-adopted 5-year rate plan. The total debt service programmed into the 5-year rate plan for water and sewer is \$12.45 million. If the Town were to apply for one \$5 million WIFA loan/grant and additional \$4 million loan / grant with WIFA in the proposed phased efforts for the WRF modification, the total loan amount would be \$5.4 million and (\$3.6 million qualified as a WIFA grant) as a qualified disadvantaged community. This WIFA funding would pay for the PACE Engineering, Construction Manager at Risk (CMAR), and the Construction phases and appurtenance updating at the WRF.

Lastly, the WRF modification project is based on the annual growth rates observed that allow for the WRF to process a certain volume of existing and new annual wastewater which was estimated to delay the expansion of the WRF by approximately 10 years in 2023. However, should a large industrial or commercial enterprise move into the Town that generates a large amount of wastewater to be processed, this increased volume could potentially shorten the delay time for the WRF expansion significantly.

Under State laws, when the WRF hits an average daily flow of 80% of its treatment capacity, the WRF must then be then in an engineering phase for expansion. When the average daily sewer volume hits 90% of the treatment capacity of the WRF, the WRF must be within the construction phase of expansion for new treatment capacity.

In 2023 PACE estimated that the Town could delay the expansion of the current plant by an estimated 10 years. PACE has re-evaluated this and based on current discharge trends the plant can be delayed for 8-9 years with all things being equal as they are today regarding sewage discharges. It is important to note, that upon investing the \$5.4 million (60% WIFA loan of the \$9 million total current modification project) to modify the plant - if a new big wastewater discharger is connected to the WRF the Town could be forced to enter into expansion costs sooner than expected. PACE has determined that the very rough cost estimates would be approximately \$11 million additional to expand the WRF to 1.0 million gallons per day (**attached PACE Engineering Technical Memorandum Phase III – Expansion Plan**). Should this happen within the 5-Year time frame of the current rate model, a new rate model would be needed to analyze the additional debt service required and how rates would be impacted to fund project costs and debt service.

Regarding the WRF modification project, a phasing construction approach (aligned with WIFA State Revolving Funding approaches) is being followed that allows the Town to undertake the work in smaller, manageable chunks and perform them as needed, which can help prevent oversizing (**Attached PACE Project Phasing Technical Memorandum**). However, this approach can increase the overall cost due to additional design, general conditions, and re-mobilizations.

Technical Memorandum

Date: June 1, 2023

To: Mr. Michael Bovee – Town of Chino Valley

From: James Matthews, PE – PACE
Taylor Pierce, PE – PACE

Re: Chino Valley WRF Capacity and Expansion Evaluation



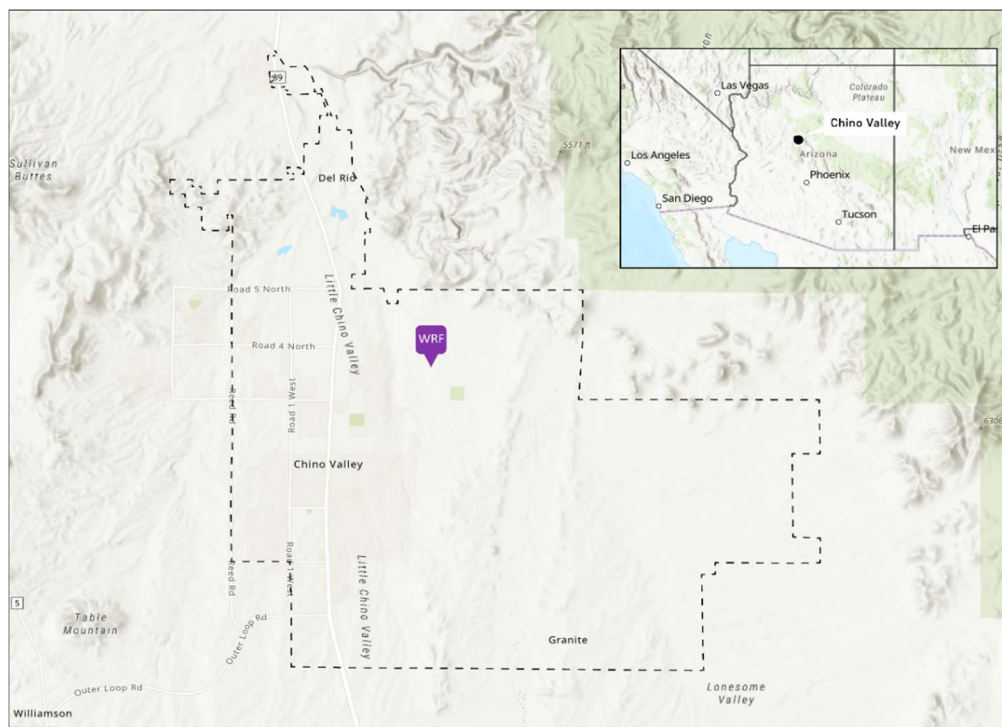
9/30/23

#C104E

1.1 Background

The Town of Chino Valley (Town) owns and operates the Chino Valley Water Reclamation Facility (CVWRF) for treatment of municipal wastewater generated within a portion of the Town limits. The CVWRF was designed and constructed in 2004 by Aqua Engineering, Inc. and Fann Environmental with an intended design capacity of 0.5 million gallons per day (MGD). The facility consists of an offsite influent lift station, a headworks facility for fine screening and grit removal, two MBR process trains each consisting of Anoxic / Pre-Aeration / Membrane Separation tanks, an in-line ultraviolet (UV) disinfection system, a final effluent booster pump station, a Waste Activated Sludge (WAS) dewatering screw press and five offsite rapid infiltration basins. Based on the original design plans and specifications, the facility was originally designed to treat Average Daily Flows (ADF) up to 0.5 MGD with influent loading conditions of 250 mg/L Biological Oxygen Demand (BOD), 220 mg/L Total Suspended Solids (TSS), and 50 mg/L Total Kjeldahl Nitrogen (TKN). A map of the CVWRF location in proximity to the Town limits is provided in Figure 1 below.

Figure 1 – CVWRF Location Map



Although the CVWRF is satisfying the current permit requirements, the Town recognizes that there is a risk of violation with the current flow conditions. Historical data reviewed herein shows that the flows to the treatment plant have not exceeded the stated design flow rate. However, the typical daily diurnal flow pattern indicates that the plant experiences daily periods of high inflow and operates at or above industry standard membrane hydraulic flux rates for 1 to 2 hours per day and Peak Day Flowrates (PDF) have occasionally reached 80% of the 0.5 MGD design capacity. Furthermore, the biological loading rates have consistently exceeded the design loading rates for the facility and as such, the secondary treatment process has struggled to treat to the permitted limits for Total Nitrogen.

This memorandum presents the findings and recommendations of a Capacity and Expansion Evaluation for the Town of Chino Valley Water Reclamation Facility. In this memorandum, PACE has evaluated the hydraulic and biological capacity of the CVWRF and provided three alternatives to expand the facility's capacity, consistent with the Town's current and projected future flow and loading conditions. The evaluation and assumptions made within this memorandum are based on the information provided by the Town and our review.

1.2 Flow and Load Characteristics

1.2.1 Existing Flows

Annual Average Flow (AAF) and Peak Day Flow (PDF) from January of 2015 through June of 2021 were presented in the Equalization Basin Design Technical Memorandum, prepared by Kimley-Horn in 2022 (KH - 2022). As can be seen in Table 1 below (data from Table 2-1 of KH document), over the time period studied, the AAF value increased an average of approximately 11,500 Gallons per Day (GPD) per year over the 6.5-year period studied and the Peak Day Flow to Average Annual Flow ratio stayed consistent at between 1.2 and 1.4, but trended upward for the last year and a half.

Table 1 – CVWRF Average Daily Flow and Peak Daily Flow

Year	Annual Average Flows (gpd)	Peak Daily Flow (gpd)	PDF/AAF Ratio
2015	235,877	273,021	1.2
2016	239,052	306,210	1.3
2017	251,966	314,401	1.2
2018	260,906	346,702	1.3
2019	272,352	314,632	1.2
2020	290,322	414,107	1.4
2021 ¹	304,572	435,457	1.4

Notes:

¹This row only considers 6 months of data from January 1, 2021 to June 30, 2021.

Although historical daily diurnal flow data for the WRF was unavailable at the time of the KH memo and therefore, exact peaking factors were not able to be determined, KH was able to use a sound engineering approach to estimate the typical diurnal flow pattern of the plant (Figure 2). During our site visit, PACE observed SCADA influent flow trend data that also supported a similar diurnal flow pattern (Figure 3). This pattern is typical of small to medium-sized, primarily residential communities, where a majority of the daily wastewater volume is generated in 12 to 16 hours per day, with 6 to 8 hours of relatively low flow. As can be seen in the two graphs below, and particularly Figure 2, the current flow to the facility, while averaging 0.3 MGD over a 24-hour period, achieves the average design flow of 0.5 MGD (350 GPM) on a daily basis, if only for a 2-hour period. Additionally, influent flows typically exceed 0.36 MGD (250 GPM) for 14-hours per day.

Figure 2 – Diurnal Flow Pattern Developed by KH – 2022

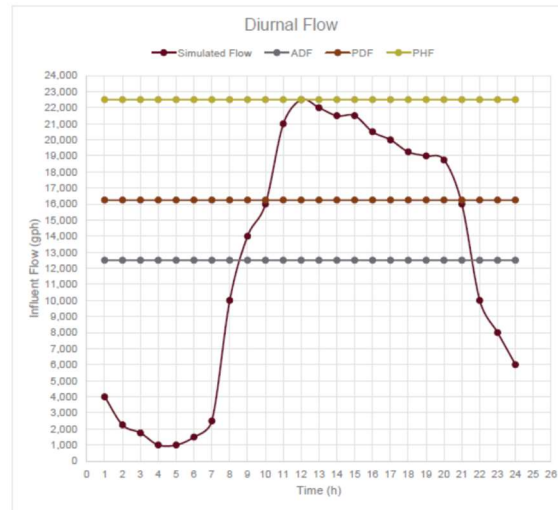


Figure 3 – Diurnal Flow Pattern from SCADA – 1/2023



1.2.2 Existing Loads

Wastewater influent biological loading characteristics directly impact the process treatment capacity of the WRF. To properly treat the wastewater to the permitted effluent water quality, a treatment facility needs to meet both the hydraulic and biological capacity requirements. Historical 2015 to 2021 monthly average influent loading rates and max day loading rates to the CVWRF were provided in the KH-2022 memorandum, as well as from an additional 5-day sampling period, self-performed by the Town from November 7, 2021 to November 11, 2021. For that period, the average BOD, TSS and TKN were 255 mg/L and 104 mg/L and 81mg/L, respectively. Tables 2 and 3 below summarize the loading characteristics used in the KH process evaluation.

Table 2 – CVWRF Reported Annual Average Concentrations (2015 – 2021)

Year	Influent TKN (mg/L)	Influent NH3 (mg/L)	Influent NO3 (mg/L)
2015	-	44.3	-
2016	50.85	-	0.4
2017	-	-	-
2018	54.67	-	-
2019	53.34	47.44	2.86
2020	53.34	50.04	0.78
2021	36.92	49.18	0.91
Average:	49.82	47.74	1.24

Table 3 – CVWRF Sampled Daily Average Concentrations (November 7-11, 2021)

Date	Influent TKN (mg/L)	Influent NH3 (mg/L)	Influent NO3 (mg/L)	Influent BOD (mg/L)	Influent COD (mg/L)	Influent TSS (mg/L)
7-Nov-21	68	49	0.11	243	747	91
8-Nov-21	508 ¹	42	0.10	343	1644 ¹	185
9-Nov-21	390 ¹	44	0.10	215	871	95
10-Nov-21	80	40	0.30	277	767	69
11-Nov-21	93	49	4.22 ¹	195	719	78
Average:	81	45	0.15	255	776	104

Notes:

¹Items in red were considered statistical outliers and not included in calculated average values.

From the data presented in the KH report, it can be seen that the actual loading conditions for the 5-day period were approximately equal to the original design concentrations for BOD, 50% lower for TSS and 60% higher for TKN. This higher TKN influent condition also indicates atypical concentrations for standard conventional sewer collection systems which typically have BOD and TSS concentrations which are within 10% of each other (BOD to TSS ratio = 1.0 to 1.1) and Ammonia concentrations that are typically about 80 to 85% of the TKN concentration (TKN to NH3 ratio = 1.2 to 1.25). Additionally, most Biological Nutrient Removal (BNR) facilities require a BOD to TKN ratio of 4.5 to 5.0 or higher to operate efficiently. Note that the measured values from previous testing produce the following ratios:

BOD to TSS: 2.5 vs. 1.0 to 1.1
TKN to NH3: 1.8 vs. 1.2 to 1.25
BOD to TKN: 3.1 vs. 4.5 to 5.0

As indicated previously these are atypical of normal residential / light commercial sewage and are more typical of either Septic Tank Effluent Pump (STEP) collection systems or partial industrial organic discharges. In either case, these unbalanced ratios are more difficult to treat and typically require more biological volume and chemical addition (in the form of a Carbon source) to improve effluent performance.

Initial planning done during construction of the Phase 1 CVWRF facility had provided for an expansion of the facility by replicating the current MBR system. Based on the previous design conditions, the next expansion was logically anticipated to increase the rated hydraulic and biological treatment capacity of the facility from 0.5 MGD to 1.0 MGD. However, as indicated above, based on the current influent conditions, replicating the existing facility will not produce these projected capacities.

1.2.3 Projected Future Flows

The Town of Chino Valley, like many towns in Yavapai County, has seen steady growth in recent years. The population in the area is currently 13,492 according to the most recent census data (census.gov, 2021), with an annual growth rate of approximately 3.5% per year. If growth continues at this rate in the CVWRF service area, the Annual Average Flow to the CVWRF will take approximately 10-years to reach the original design treatment capacity of 0.5 MGD for the facility. However, due to current diurnal flow and higher than design influent loading conditions, the facility is currently operating near its capacity. Therefore, at a minimum, the Town should proceed with an expansion plan that either reduces the diurnal peaks through adding equalization, allowing more efficient use of the existing facility, or expanding treatment capacity to treat the existing diurnal flow and loading conditions as they flow into the facility.

Previous discussions with the Town indicated that there is some additional infill development that will occur in the near-term with additional unplanned / uncommitted future development within the existing or near-by sewer collection system for the CVWRF. Additionally, in 2022, PACE prepared a preliminary sewer capacity study for the lead developer in the Del Rio area, approximately 4 miles north of the CVWRF. Our study concluded that although it was technically feasible to collect and pump sewage from Del Rio to the CVWRF collection system for treatment, it would be more beneficial and efficient to construct a new, separate facility to serve development in this area. Additionally, the Town may consider decommissioning the CVWRF facility and installing a gravity sewer to Del Rio. However, the timing of the Del Rio area development and sewer capacity requirements remain unknown at this time. Therefore, improvements and/or capacity expansion at CVWRF,

in parallel with future planning and development of the Del Rio WRF, will benefit the Town by allowing lower initial capital investment now, with deferral of additional significant capital investment, based on future development in both service areas.

Using the current flows, loading and the existing Aquifer Protection Permit (APP), PACE revised and developed new design criteria for both the current and future loading conditions anticipated for the CVWRF. We agree with the peaking factors developed in the KH memorandum of 1.4 Maximum Day Flow and 1.8 Peak Hour Flow and were therefore used in our analysis of current and future conditions. The Evaluation Design Criteria are summarized in Table 4 below.

Table 4 – CVWRF Evaluation Design Criteria

Design Criteria	Current Flow (MGD)	Future Flow (MGD)
Design Treatment Capacity	0.5	1.0
Annual Average Day Flow (ADF)	0.3	1.0
Maximum Day Flow (PDF)	0.42	1.4
Peak-Hour Flow (PHF)	0.54	1.8
Influent Characteristics		
BOD (mg/L)	300	
TSS (mg/L)	100	
Total Kjeldahl Nitrogen (TKN) (mg/L)	80	
Ammonia (NH3) (mg/L)	45	
Effluent Requirements ¹		
Total Nitrogen (mg/L)	<10	
Fecal Coliform (CFU/100mL) - 4 of 7 Daily Samples	Non-Detect	
Fecal Coliform (CFU/100mL) - Single Sample Maximum	23	

Notes:

¹Effluent requirements are based on existing APP limits.

As shown in the table, the design criteria for Total Kjeldahl Nitrogen has been increased from 50mg/L to 80mg/L, and Ammonia has been increased from 40 to 45mg/L. The sampling results provided by the Town show that Total Kjeldahl Nitrogen and Ammonia are consistently above the values provided in the original design.

1.3 Treatment Capacity Evaluation

1.3.1 Hydraulic Capacity Evaluation

The hydraulic capacities were determined based on stated capacities of the equipment and/or existing volume, dimensions and size of the structural components. Our evaluation considered the size of existing and proposed equipment and/or infrastructure based on achieving compliment effluent at sustained hydraulic flow rates. The performance and removal efficiencies stated below were assumed to be per the equipment vendor's stated values and were reviewed and verified with facility staff. Even though some reduction in performance over time is to be expected, due to the age of the equipment or processes, our evaluation assumes the original stated performance of the equipment. Determining the actual performance of each process will require field performance testing, which is beyond the scope of this evaluation. Table 5 below lists the capacities of existing equipment for each of the facility's components and processes.

Table 5 – Existing Unit Process Information

Process Component	Description
Influent Lift Station	
Influent Pumps	KSB KRT-R-100-316-250
Pump Quantity	2
Pump Horsepower	31
Pump Capacity per Pump	700 GPM @ 100' TDH
Headworks	
Screening	Huber Rotamat
Screen Opening Size	2mm
Number of Screens	2
Maximum Hydraulic Flow Rate	1.0 MGD
Bagging Unit	Yes
Grit Removal	Westech
Diameter	7'
Capacity	2.5 MGD
Classifier	Yes
Membrane Bioreactors	
Number of Trains	2
Anoxic Basin Max. Water Height (feet)	13'-6"
Anoxic Basin Min. Water Height (feet)	8'
Anoxic Tank Working Volume	25,750 Gallons
Aerobic Tank Working Volume	22,721 Gallons
MBR Tank Working Volume	29,537 Gallons
Total Volume, per Train	78,007 Gallons
Membrane Sheets per Cassette	400
Membrane Area per Sheet	0.8 m2
Total Membrane Area per Train	17,216 ft2
Permeate Pump	Gorman Rupp
Permeate Pump Quantity	3
Permeate Pump Horsepower	7.5
Capacity per Permeate Pump	400 GPM @ 30' TDH
RAS Pump	Gorman Rupp
RAS Pump Quantity	4
RAS Pump Horsepower	15
Capacity per RAS Pump	750 GPM @25' TDH
Aeration System	
Aeration Blower Quantity	3
Total Blower Capacity	1,000 SCFM @ 7 psi
Blower Horsepower	40
Membrane Blower Quantity	2
Total Blower Capacity	1,400 SCFM @ 7 psi
Blower Horsepower	100
Aeration Diffuser Capacity per Train	575 CFM
Disinfection	
Ultraviolet (UV) Disinfection	WEDECO LBAICO
UV Units	2
Number of Lamps	14 per Unit
Installed Load	4.1 kW
Sludge Disposal	
Screw Press	Huber Q-Press 280
Polymer Feed System	Neptune

Effluent Disposal	
Discharge	Rapid Infiltration Basins
Basin Quantity	5
Effluent Pumps	Flowserve 10 EHM-3
Pump Quantity	2
Pump Capacity	700 GPM @ 110' TDH
Pump Horsepower	25

Reliability and redundancy are provided in the process design through the use of multiple treatment trains with each unit capable of treating the design flow with the largest component out of service. The CVWRF has redundancy in most process equipment as shown in Table 6 below. The MBR was evaluated based on the cassette being the largest serviceable component and therefore was evaluated in two scenarios; first with all cassettes online, and secondly with one cassette offline providing N+1 redundancy. The unit of measurement used in this evaluation for membrane flux rate is Gallons of permeate per Square Foot of membrane per Day (GFD). Table 6 identifies the different flow conditions in consideration and the required hydraulic flow capacity of each treatment process to maintain the effluent quality standards as stated in Table 4. Items in red are components that may not have the required hydraulic capacity.

Table 6 – CVWRF Processes Hydraulic Capacity

Equipment (qty.)	Capacity at Current Flow	Capacity at Future Flow	CVWRF Available Hydraulic Capacity
HEADWORKS AND INFLUENT PUMPS			
Influent Pumps (N+1)	0.5	1.0	1.0 MGD
Rotating Drum Screen (N+1)	0.5	1.0	1.0 MGD
Grit Removal and Classifier (1) ²	0.5	1.0	2.5 MGD
SECONDARY PROCESS			
Operating Volume (min. 4-6 hr. HRT)	125,000	250,000	156,000 Gal
Equalization Volume ¹	-	-	21,000 Gal¹
MBR Flux Rate at ADF (No Redundancy)	14.5	29	15 GFD
MBR Flux Rate at PDF (No Redundancy)	29	58.1	30 GFD
MBR Flux Rate at ADF (N+1)	16.1	32.3	15 GFD
MBR Flux Rate at PDF (N+1)	32.3	64.5	30 GFD
DISINFECTION			
In-Line UV Reactors (N+1)	0.5	1.0	1.0 MGD
EFFLUENT DISCHARGE			
Effluent Pumps (N+1)	0.5	1.0	1.0 MGD

Notes:

1. 10,500 gallons per Anoxic Tank.
2. The facility can bypass the grit removal unit for a brief period of time with limited detrimental impact to the membranes. Therefore, redundancy is considered preferential but not required.

All membranes, like other conventional filters, have a variable allowable maximum sustained flux rate due to the operating solids loading and temperature conditions of the MLSS. Based on our previous experience with similar flat sheet MBR facilities, it is PACE's recommendation that the MBR maximum sustained flux rate be maintained at or below 15 GFD when operating at MLSS concentrations of up to 12,500. The sustained operating GFD should be reduced further, by approximately 3 GFD for each additional 1,000 mg/l MLSS increase above 12,500 mg/l.

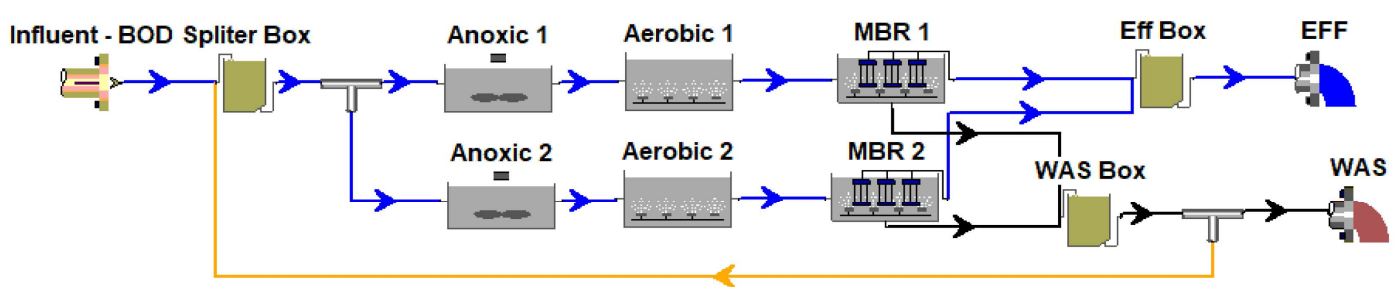
The CVWRF is currently operating at approximately 0.3 MGD average daily flow. However, as discussed previously, that daily volume is not evenly distributed over a 24-hour period. Current flow data shows that inflow to the facility exceeds 0.36 MGD for a 14-hour period, with 2-hour peaks to 0.5 MGD each day. During this period, the average MBR flux rate is approximately 13.4 GFD. If the same diurnal profile is extended to the facility's design flowrate of 0.5 MGD, the 12-hour period flow rate will be approximately 0.77 MGD, which equates to an MBR flux rate of 18 GFD. Therefore, the existing facility has an approximate membrane-limited capacity while maintaining N+1 redundancy of 0.37 MGD 24-hr flow (0.52 MGD 12-hour period flowrate) to maintain flux rates at or below 15 GFD.

Therefore, PACE agrees with the KH memorandum recommendations, that providing sufficient flow and loading equalization will significantly improve operational performance of the existing facility. It will also reduce the impact to membrane life and energy consumption through reduced and stable flux rates. From the KH memorandum and design plans, the existing CVWRF has approximately 21,000 gallons of usable flow equalization capacity available in the existing anoxic tanks, but requires a minimum of 90,000 gallons to provide proper equalization at the current inflow volume of 0.3 MGD. Extrapolating that value to handle the projected average day flow of 0.5 MGD, based on the volumetric difference in flow of the peak day flow at 0.7 MGD, would require 200,000 gallons. This volume of flow equalization would also be sufficient to store over 6 hours of diverted peak hour flow in emergency operations.

1.3.2 Biological Capacity Evaluation

The existing treatment processes were reviewed based on current and reported influent flow and biological loading to verify the biological treatment capacities. BioWin Modeling software was calibrated to the site-specific conditions to create a representative model of the CVWRF. Figure 4 below shows the process flow diagram developed for the CVWRF.

Figure 4 – CVWRF Process Flow Diagram



The results of the biological modeling confirm that treatment capacity is limited due to an imbalanced BOD to TKN ratio as discussed previously. The loading rate of TKN is significantly higher than what was originally designed (85 mg/L vs. 50 mg/L). This loading requires an additional carbon source and an increased operating MLSS to balance the process. Higher TKN loading may also necessitate longer anoxic hydraulic retention times. PACE selected MicroC 2000 from Environmental Operating Solutions (EOS) as the presumed additional chemical carbon source in the BioWin model as it is readily available in Arizona, is a non-hazardous product designed for municipal wastewater treatment plants and is typically the most cost-effective alternative to Methanol, Acetate or other carbon sources. A summary of the BioWin model at the current ADF, PDF, and PHF rates with and without carbon addition is provided in Table 7 below. Items in red are results that are above the permitted limits for the facility.

Table 7 – CVWRF Processes Biological Evaluation Results

		Chino Valley WRF - Current Operation			Chino Valley WRF - Operation w/ Carbon Addition		
Flow Characteristic	Units	ADF (0.3 MGD)	PDF (0.42 MGD)	PHF (0.54 MGD)	ADF (0.3 MGD)	PDF (0.42 MGD)	PHF (0.54 MGD)
Influent							
Temperature	°C	20	20	20	20	20	20
Total BOD	mg/L	300	300	300	300	300	300
TSS	mg/L	100	100	100	100	100	100
TKN	mg/L	80	80	80	80	80	80
Ammonia	mg/L	52.8	52.8	52.8	52.8	52.8	52.8
Nitrate N	mg/L	0.0	0.0	0.0	0.0	0.0	0.0
pH		7	7	7	7	7	7
Alkalinity	mg/L	300	300	300	300	300	300
Secondary Basins							
Total Volume	MG	0.097	0.097	0.097	0.097	0.097	0.097
HRT	hours	12.5	8.91	6.93	12.5	8.91	6.93
SRT	days	31.9	21.3	16	12.8	9.83	8.52
MLSS in Aerobic Tank	mg/L	9,499	9,524	9,739	9,861	9,736	9,784
MLSS in MBR	mg/L	12,589	12,621	12,906	12,962	12,823	12,908
Process Flows							
RAS Flow	x Qin	3Q	3Q	3Q	3Q	3Q	3Q
	MGD	0.896	1.254	1.612	0.89	1.247	1.605
WAS Flow	% Qin	1.33%	1.43%	1.48%	3.33%	3.10%	2.78%
	MGD	0.004	0.006	0.008	0.01	0.013	0.015
Aeration							
Aeration Basin DO Level	mg/L	5.56	4.48	3.53	1.21	0.74	0.66
Oxygen Transfer Rate (OTR)	lb/hr	19.23	25.4	30.84	50.19	53.24	53.74
Aeration Schedule							
Anoxic Bains DO Set Point	mg/L	0.0	0.0	0.0	0.0	0.0	0.0
Aeration Basin Blower Set Point	cfm	500.0	500.0	500.0	500.0	500.0	500.0
MBR Basin Blower Set Point	cfm	700.0	700.0	700.0	700.0	700.0	700.0
MBR DO Level	mg/L	5.87	4.4	3.0	2.5	1.5	0.8
MBR Parameters							
Number of MBR's	qty	2	2	2	2	2	2
MBR Flux	GFD	6.88	9.62	12.36	6.75	9.46	12.2
Oxygen Transfer Rate (per MBR)	lb/hr	11.87	16.73	21.51	23.34	26.89	29.24
Solids							
Sludge Concentration	mg/L	12,589.34	12,621.39	12,906.29	12,962.49	12,823.06	12,908.49
Sludge Produced	lb/d	420	632	861	1,081	1,390	1,615
Yield Check	ratio	0.56	0.60	0.64	1.44	1.33	1.20
Effluent							
Flow	MGD	0.296	0.414	0.532	0.29	0.407	0.525
BOD	mg/L	0.85	0.9	0.93	0.64	0.7	0.75
TSS	mg/L	0	0	0	0	0	0
Ammonia (NH3)	mg/L	0.1	0.13	0.16	0.31	0.34	0.44
Nitrate	mg/L	28.1	28.14	27.41	7.36	7.08	6.77
Nitrite	mg/L	0.03	0.04	0.06	0.09	0.16	0.47
Total Nitrogen	mg/L	30.46	30.55	29.87	9.92	9.74	9.84
pH		5.89	5.84	5.9	6.67	6.64	6.62
Alkalinity	mg/L	12	11.5	14.5	82	83.5	84.5
Carbon Source Addition							
MicroC® 2000 BOD	mg/L	-	-	-	839,112	839,112	839,112
MicroC® 2000 Flow	gpd	-	-	-	320	320	290

As indicated in Table 7 above, the simulation model indicates that without sufficient carbon, the current facility, operating at an MBR MLSS return concentration of 12,600 mg/l and average flow of 0.3 MGD will not be capable of meeting the Total Nitrogen discharge standard in the APP. Therefore, in the interim, the facility is likely operating at higher MLSS concentrations to meet nitrogen permit requirements.

1.4 Facility Expansion Plan and Recommendations

Based on our hydraulic and biological capacity evaluations, the CVWRF is limited in the following areas:

1. During peak hour flow events, the hydraulic throughput of the membranes is above the recommended rate of 15 GFD.
2. There is no redundancy provided in the MBR process at the design flow rate of 0.5 MGD.
3. There is a limited flow equalization volume of 21,000 gallons available in the Anoxic Tanks. However, using this volume reduces the available anoxic process volume by nearly 40%, further reducing available denitrification capacity. Therefore, recommended practice should be to operate the anoxic tank with as much volume as possible to meet nutrient effluent limits at the expense of membrane flux rate.
4. The biological treatment capacity is carbon limited due to an imbalanced BOD to TKN ratio.
5. No sludge storage or thickening is provided between the MBR and the dewatering unit and only one dewatering unit is currently installed. Therefore, there is no redundancy and limited ability for operators to accommodate a failure of the dewatering unit while maintaining stable treatment.
6. The UV system is outdated and replacement would improve system efficiency and maintenance.

Across all proposed alternatives, PACE recommends the following minimum improvements:

1. Add flow / load equalization or additional hydraulic and biological capacity to meet current and near-term conditions
2. Add an automated MicroC dosing system at the RAS return to the Anoxic Basins
3. Replace the existing UV system with a new low-pressure high-output inline UV disinfection system
4. Install an additional sludge dewatering system to provide more dewatering capacity for normal operating conditions and redundancy to accommodate mechanical failures in the system.

1.4.1 Alternative Analysis:

In order to address the deficiencies summarized in section 1.4, PACE has evaluated several alternatives for both near-term and future wastewater flow and loading conditions and provided recommendations for economical and feasible expansion options to fulfill the future needs of the Town.

1.4.1.1 *Alternative 1 – MBR Expansion (Original Expansion Plan + Accommodate Current Flow and Load Conditions)*

Alternative 1 consists of installing two new larger MBR process basins to the North of the existing MBRs based on the updated Kubota expansion proposal, dated May 3, 2023 (see Appendix B). The new MBR basins will be in a similar arrangement to the existing MBR basins and provide an additional operating volume of 330,000 gallons. The slightly larger footprint of the new process trains will allow for greater retention time and biological treatment capacity. The proposed membranes in this alternative are Kubota FK400 units which are the newer model of the EK400 units currently installed at the facility. With their proposal, Kubota has also included an additional cost to replace the existing membrane sheets in the current EK400 cassettes. This is valued at \$447,000 and is included in our cost estimate for this alternative.

This alternative will allow the facility to go from the current capacity of 0.36 MGD Average Day Flow / 0.52 MGD Max Day Flow to approximately 0.74 MGD Ave / 1.04 MGD Max Day Flow when operating membranes below the 15 GFD maximum instantaneous flux. In this alternative, the aeration and MBR blowers can be replumbed so that aeration is achieved more efficiently and only a single additional aeration blower added. In addition, the added membrane trains can be used for sludge thickening until the capacity is needed for treatment. The conceptual site plan of this alternative is presented in Exhibit 1 in Appendix A. This is the most expensive alternative. However, it does provide both the ability to treat existing flow and loading conditions and expands the design capacity by 0.24 MGD. The preliminary cost estimate is provided in Table 8, below. The conceptual site plan of this alternative is presented in Exhibit 1 in Appendix A.

Table 8 – CVWRF Alternative 1 Preliminary Cost Estimate

Description	Cost
Existing MBR Basin Improvements	\$512,000
New MBR Basins	\$3,213,000
Disinfection Improvements	\$300,000
Solids Building Improvements	\$350,000
Subtotal	\$4,375,000
General Conditions	\$437,500
OVHD & Profit	\$656,250
Contingency	\$875,000
Total Construction Cost	\$6,343,750
Non-Construction Costs (18%)	\$1,141,875
Total Capital Costs	\$7,485,625

1.4.1.2 Alternative 2A – Separate Flow Equalization Tanks (Similar Approach as KH, but with Common Wall Design)

Alternative 2A consists of installing two 100,000-gallon flow equalization (EQ) basins and an EQ Pump Station to the East of the existing MBR basins. This proposed option would allow for the facility's treatment process to continue with current operations, but will reduce the peak flow rate to downstream processes as discussed in Section 1.3.1 of this memorandum. This alternative allows the facility to recover its rated capacity and increase the current evaluated capacity of 0.3 MGD Average Day Flow / 0.5 MGD Max Day Flow to 0.5 MGD Average Day Flow / 0.85 MGD Max Day Flow when operating membranes below the 15 GFD maximum instantaneous flux.

In this alternative two new EQ basins and an EQ lift station will be constructed and plumbed to the existing screened influent line. The EQ basins will be provided with floating aerators which provide aeration and mixing as the basins fill and drain. The lift station shall be equipped with two submersible pumps, piping and appurtenances. The conceptual site plan of this alternative is presented in Exhibit 2A in Appendix A. This is the least expensive alternative at \$2.86M total construction cost as summarized Table 9 below. However, it should be noted that PACE did not include the cost to replace the existing membrane sheets in either Alternate 2A or 2B.

Table 9 – CVWRF Alternative 2A Preliminary Cost Estimate

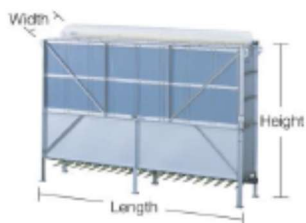
Description	Cost
Existing MBR Basin Improvements	\$65,000
New Flow Equalization Basin	\$955,000
Effluent Pump Station Improvements	\$300,000
Solids Building Improvements	\$350,000
Subtotal	\$1,670,000
General Conditions	\$167,000
OVHD & Profit	\$250,500
Contingency	\$334,000
Total Construction Cost	\$2,421,500
Non-Construction Costs (18%)	\$435,870
Total Capital Costs	\$2,857,370

As part of this work, PACE did do a preliminary evaluation of alternative membrane separation units (Cassettes) that would be able to be retrofit into the existing Kubota MBR tanks and/or used in future treatment expansions. For this analysis, we selected to compare the existing EK400 SMUs to the Mann+Hummel L2-Double Bio-Cell separation units. Mann+Hummel is a multi-billion-dollar corporation that operates over multiple industrial sectors. One of those sectors is in water purification / membrane separation. Approximately 3-4 years ago, M+H acquired the successful MicroDyn-Nadir Bio-Cell flat sheet

MBR technology and has since made design improvements to the packaging and application of the original module. The result is a highly competitive, robust flat sheet design which offers higher packing density, ultra-filtration vs micro-filtration pore size, and lower air scour requirements than either the Kubota EK or FK400 units. Below are the general specifications for the Kubota and Mann-Hummel products:

Kubota EK Specifications

Unit Type		Total Membrane Surface (m ²)	Nominal Dimensions (mm)			Weight (dry) (kg)
			Height	Width	Length	
LF	10	8	1,300	512	150	60
FF	25	20	1,526	600	442	150
	50	40			792	250
FS	50	40	1,526	600	792	255
	75	60			1,142	350
ES	75	60	2,026	600	1,142	370
	100	80			1,492	480
	125	100			1,842	590
	150	120			2,201	700
	200	160		620	2,921	950
EK	300	240	3,506	600	2,201	1,360
	400	320		620	2,921	1,850
RM	150	218	2,490	575	2,251	1,050
	200	290			2,925	1,340
RW	300	435	4,290	575	2,251	2,030
	400	580			2,925	2,590



ES type



EK type



RW type

Mann+Hummel Bio-Cell L2 Double Specifications

MEMBRANE CHARACTERISTICS

Membrane	NADIR® UP150
Membrane Polymer	Polyethersulfone (PES)
Nominal Pore Size	0.04 µm
Preservative	Glycerine 20 % / Sodium benzoate 3 %

MODULE SPECIFICATIONS

Housing Material Options	Stainless Steel 1.4301/304 (V2A) On request: SS 1.4571/316Ti (V4A)
Drainage Layer	Polyester (PET)
Diffusers Material Options	Membrane hose: Silicone (SI) Support tube: Polypropylene (PP)
Nominal Membrane Area	960 m² (10333 ft²)

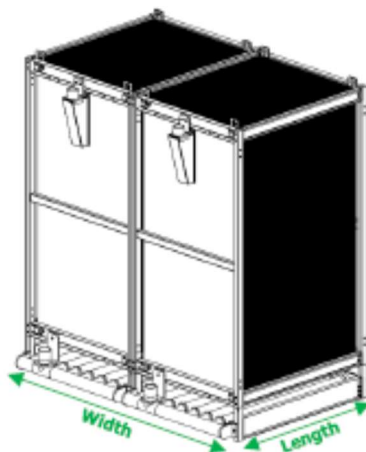
OPERATING PARAMETERS

pH Range	2.0 – 11.0
Temperature Range	3 – 40°C (41 – 104°F)
Maximum TMP during Filtration	- 400 mbar (-5.8 psi)
Maximum TMP during Regular Backwash	+150 mbar (+2.2 psi)
Recommended Air Scour Rate ^a	180 Nm³/h (106 SCFM)
Maximum Air Scour Rate ^a	230 Nm³/h (134 SCFM)
Recommended MLSS in MBR Tank	8 - 12 g/L
Maximum MLSS in MBR Tank	15 g/l
Maximum Particle Size in MBR Tank	2 mm
Total Chlorine Resistance	1,000,000 ppm·hr

^a Volumetric flow rate at standard conditions according to DIN ISO 2533:1979-12



PHYSICAL DIMENSIONS



Dry Weight	680 kg (1500 lbs)
Wet Weight without Solids	1260 kg (2780 lbs)
Maximum Load for Lifting ^b	3000 kg (6614 lbs)
Length	1524 mm (5.0 ft)
Width	2160 mm (7.0 ft)
Height	2435 mm (8.0 ft)
Filtration Tank Minimal Water Level	3025 mm (9.9 ft)
Connection for Permeate ^c	G 2 1/2" BSPF inner thread, Stainless Steel
Connection for Aeration ^c	DN80 (PN10) Pipe End, Polypropylene (DN80 Flange Adapter available)

^b Sludge deposit must be removed before lifting unit
^c Adapters available

In review of specific application for Chino Valley, the Mann+Hummel product provides the following benefits:

1. Can install more than 2-times the membrane surface area ($4 \times 960 \text{ m}^2 = 3840 \text{ m}^2$) as the existing EK400 units ($5 \times 320 \text{ m}^2 = 1680 \text{ m}^2$) in the same MBR tank. This means that Chino Valley could install two L-2 Doubles in each tank (4 total) and have slightly more operating membrane area as well as have space to add two additional modules in the existing tanks to increase hydraulic capacity in the future.
2. Provides ultra-filtration performance, which is compatible for use in recycled direct groundwater injection or can be used as direct feed into advanced treatments system like RO and AOP without additional pre-treatment. Micro-filters are also acceptable for direct groundwater injection, but produce higher micro-turbidity which can cause higher rates of fouling in injection wells and pre-treatment RO equipment.
3. Requires 106 CFM per L-2 Double Module vs 100 CFM per EK400. This equates to less than half the air scour rate of the EK400 when considering CFM / m^2 of membrane area, lowering energy costs.
4. The cost for the initial 4 L-2 Double units is approximately $\frac{1}{4}$ that of the EK400 membrane sheet replacement cost. However, additional modifications would need to be made in the existing MBR air and permeate piping to accommodate the Mann-Hummel product. Therefore, PACE would suggest, for the purpose of discussion, that the Mann-Hummel replacement is approximately 75 to 80% of the cost provided to replace the EK400 sheets.

Therefore, the Town should consider alternative membrane cassettes during the initial design phase of the improvements or expansion work at CVWRF.

1.4.1.3 Alternative 2B – Flow Equalization in Depopulated MBR Tanks

Alternative 2B consists of installing two flow equalization (EQ) basins and an EQ Pump Station to the North of the existing MBR basins. The EQ basins will be sized to match the dimensions of the existing MBR basins and add an operating volume of 156,000 gallons to the system. This proposed option would allow for the facility's treatment process to continue with

current operations but will reduce the peak flow rate to downstream processes as discussed in Section 1.3.1 of this memorandum. This alternative allows the facility to recover its rated capacity and increase the current capacity of 0.3 MGD Average Day Flow / 0.5 MGD Max Day Flow to 0.5 MGD Average Day Flow / 0.85 MGD Max Day Flow when operating membranes below the 15 GFD maximum instantaneous flux.

In this alternative two new EQ basins and an EQ lift station will be constructed and plumbed to the existing screened influent line. The EQ basins will be provided with fine bubble aeration and two new aeration blowers which will provide aeration and mixing as the basins fill and drain. In addition, the existing aeration and MBR blowers can be replumbed so that aeration is achieved more efficiently in the existing MBR. The lift station shall be equipped with two submersible pumps, piping and appurtenances. This alternative allows for the facility to fill the EQ tanks with membrane cassettes as required to provide hydraulic capacity as needed. The conceptual site plan of this alternative is presented in Exhibit 2B in Appendix A. This is the second least expensive alternative as detailed in Table 10 below.

Table 10 – CVWRF Alternative 2B Preliminary Cost Estimate

Description	Cost
Existing MBR Basin Improvements	\$65,000
New MBR Equalization Basin	\$1,478,000
Effluent Pump Station Improvement	\$300,000
Solids Building Improvements	\$350,000
Subtotal	\$2,193,000
General Conditions	\$219,300
OVHD & Profit	\$328,950
Contingency	\$438,600
Total Construction Cost	\$3,179,850
Non-Construction Costs (18%)	\$572,373
Total Capital Costs	\$3,752,223

1.4.1.4 Conceptual 2.0+ MGD Future Buildout

This section presents, for the purposes of future maximum site, what the potential build-out of the facility could look like. In this alternative the biological process is separated from the MBR basins with the addition of new MLE Aeration Basins to the West of the existing MBR basins. All MBR process basins would be fully populated with membranes and converted to MBR Separation Tanks. The EQ Tanks would also be converted to Aerobic Sludge Digesters. In this alternative, the Headworks, UV, Effluent Pumps and Dewatering Unit will be upgraded to meet the increased capacity. The future Buildout as indicated is 2.0 MGD Average Day Flow / 3.0 MGD Max Day Flow. The conceptual site plan is presented in Exhibit 3 in Appendix A.

1.4.2 Recommendation

Alternative 2A or 2B are both viable alternatives for the CVWRF as they both will reclaim the 0.5 MGD rated capacity of the facility and ensure effluent quality for the foreseeable future. Alternative 2A presents the most operational flexibility and lowest capital cost and therefore is the recommended alternative. The proposed project will consist of adding equalization basins and an EQ lift station to address the facilities hydraulic limitations. As stated previously, it is also recommended that a MicroC dosing system be installed at the Anoxic basin near the RAS return stream, the existing UV system be replaced with a low-pressure inline UV disinfection system, and an additional sludge screw press be added to improve efficiency in dewatering operations. For an additional \$350,000 to \$450,000, the existing membranes should be replaced while making these improvements. Further evaluation of the Mann+Hummel Bio-Cell membrane should also be conducted at that time.

In addition to the facility improvements, it is recommended that the Town further investigate the influent loading rates. As noted previously, the influent characteristics recorded at the CVWRF are atypical for similarly sized wastewater facilities treating municipal wastewater. The TKN and Ammonia values are higher than expected while the total BOD is at or below

typical municipal wastewater values. It appears that there may be unmonitored industrial or agricultural discharges to the collection system. PACE suggests the following action items be taken by the Town:

- Additional sampling performed throughout the collection system periodically to develop trends and correlations to the influent characteristics at the plant.
- Establish a commercial sewer pretreatment ordinance with discharge limitations for BOD, TSS and Total Nitrogen.
- If STEP systems are in use within the collection system, limit use of these for future developments. A better alternative to STEP would be the use of pressure or vacuum sewer systems which retain the standard characteristics of municipal sewage.

1.4.3 Cost Estimate

Based on information received from select equipment manufacturers and our experience with construction of similar projects, we currently estimate a total base project construction cost for Alternative 2A of **\$1,396,104**. The cost estimate includes the Contractor's overhead/profit, general conditions, bonding/insurance, sales tax (may not be necessary), and a 20% contingency. This estimated cost is further broken down in Table 11 below.

Table 11: CVWRF Expansion Plan Preliminary Cost Estimate

Description	Quantity	Unit	Unit Price	Total Cost
Existing MBR Basin Improvements				
MicroC Chemical Dosing System	1	EA	\$ 25,000	\$ 25,000
Double Containment Bulk Chemical Storage Tank	10,000	Gal	\$ 4.00	\$ 40,000
				\$ 65,000
New Flow Equalization Basin				
EQ Process Piping	250	FT	\$ 500	\$ 125,000
Structural Concrete	300	CY	\$ 1,800	\$ 540,000
EQ Pump Station	1	EA	\$ 150,000	\$ 150,000
Floating Aerator	2	EA	\$ 25,000	\$ 50,000
Mooring and Aerator Base	1	LS	\$ 10,000	\$ 10,000
Aeration System Modifications	1	LS	\$ 80,000	\$ 80,000
Electrical and Instrumentation	1	LS	\$ 200,000	\$ 200,000
				\$ 955,000
Effluent Pump Station Improvements				
Replace Inline UV Units	2	EA	\$ 150,000	\$ 300,000
				\$ 300,000
Solids Building Improvements				
Additional Sludge Dewatering System & Modification	1	LS	\$ 350,000	\$ 350,000
				\$ 350,000
				\$ 1,670,000
Contractor GC/OVHD/Profit/Contingency				
General Conditions	10%	%		\$ 167,000
OVHD & Profit	15%	%		\$ 250,500
Contingency	20%	%		\$ 334,000
				\$ 751,500
Non-Construction Cost				\$ 435,870.00
Total Project Cost				\$ 2,857,370

1.4.3.1 Operations and Maintenance Cost

The following is a summary of the added annual operating budget provided by the upgrades detailed in Alternative 2A. This is not meant to encompass all operating costs at the facility. A cost of \$1.20/gal was assumed for the purchase of MicroC 2000.

Table 12: CWRF Expansion Estimated Additional O&M Costs

Description	Cost
MicroC 2000 (320 gpd)	\$175,200
Energy	\$21,239
EQ Pump Station Consumables	\$1,500
Total Annual O&M Costs	\$197,939

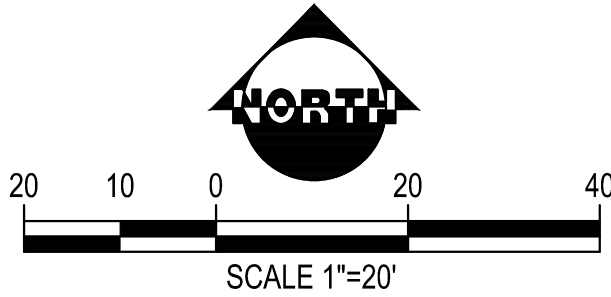
1.4.3.2 Life Cycle Cost

A life cycle present worth cost analysis examined construction costs, non-construction costs, annual O&M costs, and salvage values to complete a life cycle cost analysis of the considered alternatives. To determine the present worth of the O&M costs and salvage values; a Real Federal Discount Rate of 4.2% was used per the Office of Management and Budget (OMB) Circular No. A-94 dated February 17, 2023. A summary of the 20-yr Life Cycle Costs is provided in Table 13, below.

Table 13: CVWRF Expansion 20-Year Life Cycle Present Worth Comparison

Cost Component	Alternative 1 MBR Expansion	Alternative 2A EQ Basins	Alternative 2B Depopulated MBR EQ Basin
Capital Cost	\$7,485,625	\$2,857,370	\$3,752,223
Annual O&M (PV)	\$2,700,000	\$2,643,000	\$2,586,000
Salvage Value	\$557,000	\$213,000	\$279,000
Total Present Worth	\$9,628,625	\$5,287,370	\$6,059,223

APPENDIX A
Conceptual Site Layouts



GENERAL NOTES

- 1 EXISTING MBR TRAINS 1 & 2 W/ FK400 CASSETTE
- 2 EXISTING SOLIDS / BLOWER BUILDING
- 3 EXISTING HEADWORKS BUILDING
- 4 EXISTING BOOSTER PUMP STATION
- 5 EXISTING 12" D.I. PIPE
- 6 PROPOSED MBR TRAINS 3 & 4
- 7 PROPOSED MEMBRANE CASSETTE (10)
- 8 PROPOSED 12" D.I. PIPE

ALTERNATIVE 1
0.5 MGD AVG./1.0 MGD MAX

CHINO VALLEY WRF
CAPACITY/EXPANSION
EVALUATION

PACE
Advanced Water Engineering
17520 Newhope Street, Suite 200 | Fountain Valley, CA 92708
P: (714) 481-7300 | www.pacewater.com

SHEET
EXH 01

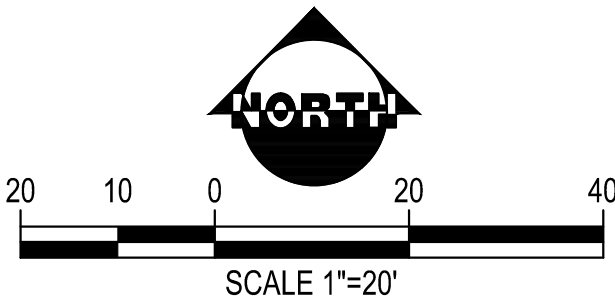
JOB NO. C104

NO	BY	DATE	REVISIONS	DATE	APP
1					
2					
3					
4					
5					



GENERAL NOTES

- 1 EXISTING MBR TRAINS 1 & 2 W/ FK400 CASSETTE
- 2 EXISTING 12" D.I. PIPE
- 3 EXISTING SOLIDS / BLOWER BUILDING
- 4 EXISTING HEADWORKS BUILDING
- 5 EXISTING BOOSTER PUMP STATION
- 6 PROPOSED EQ TANKS (2) 100,000 GAL
- 7 PROPOSED 12" D.I. PIPE



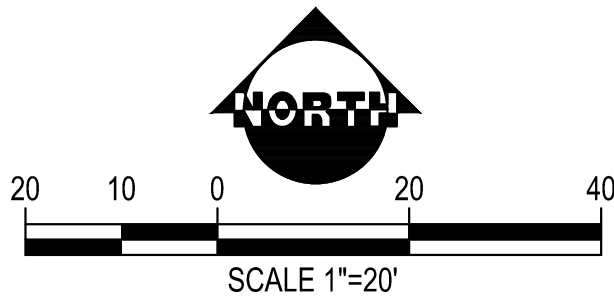
SHEET EXH 02A		JOB NO. C104	
OF xx SHEETS			
CHINO VALLEY WRF CAPACITY/EXPANSION EVALUATION		CHINO VALLEY AZ	
ALTERNATIVE 2A 0.5 MGD AVG./1.0 MGD MAX			
PREPARED BY JAMES A. MATTHEWS PROJECT ENGINEER R.C.E. NO. 34090		DATE MAY 2023	
EXP. 09/30/2023		CHECKED JM	
DRAWN NT/UT		DESIGNED TP	
SCALE AS SHOWN			
REGISTERED PROFESSIONAL ENGINEER JAMES A. MATTHEWS 34090 DATE ISSUED MAY 2023 EXPIRES 09/30/23		NO. BY DATE REVISIONS DATE APP.	

DimScale = 24, LTotal = 1, PSBScale = 1, ACD Ver = 24.25 (LMS Tech), Vertical = 1



GENERAL NOTES

- 1 EXISTING MBR TRAINS 1 & 2 W/ FK400 CASSETTE
- 2 EXISTING 12" D.I. PIPE
- 3 EXISTING SOLIDS / BLOWER BUILDING
- 4 EXISTING HEADWORKS BUILDING
- 5 EXISTING BOOSTER PUMP STATION
- 6 PROPOSED EQ TANKS (2) 100,000 GAL
- 7 PROPOSED 12" D.I. PIPE



APPENDIX B

Revised Kubota Expansion Proposal

For Earth, For Life



Revised Budgetary Proposal for Chino Valley WWTP Expansion

Arizona



Membrane Bioreactor System

May 3, 2023



Prepared By:

Kubota Membrane USA
11807 North Creek Parkway S., Suite B-109
Bothell, WA 98011
425-898-2858

Local Representation By:

Goble Sampson
Dan Bertschman
610-460-2309
dbertschman@goblesampson.com

May 3, 2023



Dear Mr. Mike Bovee,

I am pleased to present the attached materials for your consideration regarding the revised proposed Kubota membrane bioreactor (MBR) system for the Chino Valley WWTP expansion project. Kubota Membrane USA (KMU) is a company with a strong history in the U.S., backed by Kubota Corporation's extensive wastewater experience worldwide. The Kubota MBR system has unique features that will save your client time through simple and reliable operation.

The following revisions have been made to the proposal from the last revision, dated February 23, 2023.

- The design flows and loadings have been updated to match the updated information provided to us. Please see tables 2 and 3 for the current design values. The system design and layout have been updated to match these values.
- The scope of supply has been updated to reflect the changes made to the design above.
- The budgetary price has been updated to reflect the changes in scope above.

With the Kubota name comes a long history of excellence in MBR wastewater treatment. We are happy to put you in touch with operators and engineers who can share their experiences with our product. If you have any questions regarding our proposal, please feel free to contact us or our local representative, **Dan Bertschman** of **Goble Sampson**, at **610-460-2309** or **dbertschman@goblesampson.com**.

Regards,

Hiroo Kuge
Technology Manager
KUBOTA Membrane USA Corporation
Cell: (425) 919-3308
Email: Hiroo.Kuge@kubota.com

Amy Clingman
Application Engineer
KUBOTA Membrane USA Corporation

Table of Contents

1	Introduction	2
2	Company Background	2
2.1	Design Support and After-Sales Service.....	2
2.2	Kubota's Experience.....	3
3	Technology Description	4
3.1	Membrane Product Information.....	4
3.2	Operation and Maintenance.....	6
4	Design Overview	8
4.1	Influent Design Flow and Loadings	8
4.2	MBR Specifications.....	9
4.3	Preliminary Layout	9
5	Scope of Supply.....	12
5.1	Major Equipment and Instrumentation for Duplicate System	12
5.2	Equipment Included for Membrane Replacement	14
5.3	Direct Services for System Supply.....	15
5.4	Exclusions to KMU's Scope of Supply.....	16
6	Warranty	16
7	Budgetary Price.....	17
8	24/7 Technical Support	17
9	Additional Services (Optional)	17

Tables

Table 1: Kubota Submerged Membrane Unit Installations Worldwide as of December 2019	4
Table 2: Design Flow Conditions.....	8
Table 3: Influent and Effluent Characteristics	8
Table 4: Membrane Equipment Specifications.....	9
Table 5: Tank Dimensions and Hydraulic Retention Times, Expansion only	11
Table 6: Tank Dimensions and Hydraulic Retention Times, Existing Facility	11
Table 7: Major Equipment and Instrumentation in KMU's Scope of Supply.....	12
Table 6: Equipment included for Membrane Replacement in KMU's Scope of Supply	14
Table 7: Training and Workshops Included in KMU's Scope of Supply	15
Table 10: Budgetary Price for Proposed KMU MBR Equipment	17
Table 9: KMU's Available Services	17

Figures

Figure 1: Kubota Design Support.....	2
Figure 2: Kubota's Service and Well-Trained Support Team	3
Figure 3: Kubota FS Series (left), and Membrane Cartridge Structure (right)	4
Figure 4: Fixed spacing between each membrane cartridge provides efficient air scour	5
Figure 5: Membrane Unit Structure (ES Series).....	5
Figure 6: Skid-Mounted Clean-In-Place System.....	6
Figure 7: Chemical Cleaning for Other Manufacturers (left) vs. Kubota Membrane Units (right)	7
Figure 8: Process Flow Diagram.....	10
Figure 9: Tank Layout (Copy of Existing Train).....	10

1 Introduction

Kubota Membrane USA (KMU) would like to thank you for the opportunity to present the enclosed budgetary proposal to supply a membrane bioreactor (MBR) system and associated components for the Chino Valley WWTP expansion project, in addition to an option to replace the existing units at the facility. Included below is an overview of Kubota's Submerged Membrane Unit and the system proposed for this project. A scope of supply and budgetary price are also included.

2 Company Background

2.1 Design Support and After-Sales Service

Kubota Membrane USA has technical staff in Bothell, Washington and Canton, Ohio who can help the customer with any design or operational needs. KMU staff members are available to provide technical support to consulting engineers, WWTP operators, and WWTP owners.

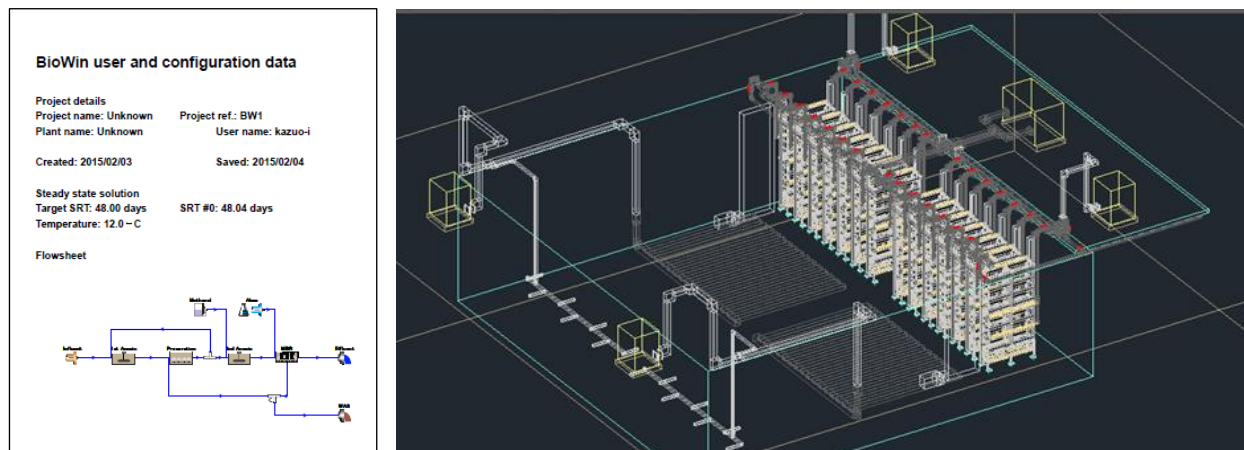


Figure 1: Kubota Design Support

KMU provides staff on a regular basis for service and support of construction activities and throughout the warranty period. The service provided includes delivery inspection, installation certification, training, commissioning and ongoing technical support. KMU will also provide operation and maintenance (O&M) manuals and 24/7 customer support.

Kubota Industrial Equipment in the state of Georgia has five certified operators who operate the industrial MBR system for the factory's wastewater. Additionally, Kubota has a Research and Development Center in Canton, OH, which focuses on optimizing the design and performance of Kubota membrane systems for the North American market.

2.2 Kubota's Experience

Kubota has extensive experience in all facets of MBR system projects including designing, building, and operating MBR systems. Kubota has executed over 300 Design-Build projects, operates over 30 plants, and has over 150 maintenance contracts.

As of 2019, Kubota MBR systems have been installed at over 6,500 facilities worldwide, making Kubota the top supplier in the world. Even prior to the first U.S. MBR installations, Kubota had already been designing, building, and operating MBR systems around the world for many years.



Figure 2: Kubota's Service and Well-Trained Support Team

Table 1: Kubota Submerged Membrane Unit Installations Worldwide as of December 2019

Region	Number of Installations
North America	447
Europe & Africa	677
Middle East	121
Asia (Except Japan) & Oceania	710
Japan	4,593
Total MBR Plants	6,548

3 Technology Description

3.1 Membrane Product Information

For this project, we have developed a proposed system design based on Kubota's FK400 Submerged Membrane Unit. The FK series is based largely on Kubota's EK series which was launched in 1991. The FK series adopted all of the features of the EK series with the exception of a shorter diffuser case to reduce the required sidewater depth. This modification was tailored largely to the market in Japan for in-building wastewater treatment systems, but can be used as an updated unit to replace EK submerged membrane units as well.

The FK series offers high quality effluent with simple maintenance and operation. Kubota's philosophy of learning from our extensive experience in MBR systems worldwide is one of our greatest advantages, setting us apart from more newly developed membrane manufacturers. A basic overview of the FK series of Submerged Membrane Units and of the Kubota membrane cartridge is included in the figure below.

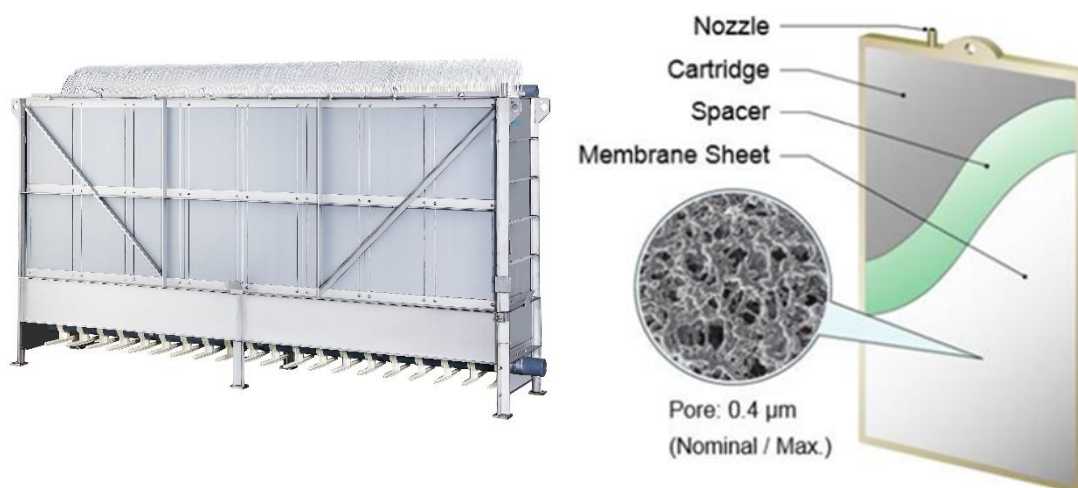


Figure 3: Kubota FS Series (left), and Membrane Cartridge Structure (right)

Kubota's membrane sheet is made from chlorinated polyethylene with an average pore size of 0.2 micron (maximum 0.4 micron). Kubota's membrane is much thicker than other membranes to provide long-lasting durability and features high porosity to enable high flow. This pore size has been designed as the optimum balance between water quality and quantity. Kubota's membrane sheet has Title 22 approval for water reuse in California.



Figure 4: Fixed spacing between each membrane cartridge provides efficient air scour

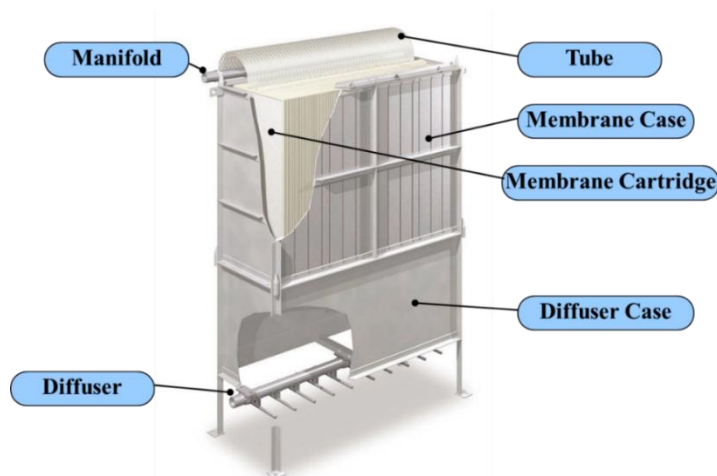


Figure 5: Membrane Unit Structure (ES Series)

The membrane sheet is welded on an ABS structural panel, and these panels are carefully aligned and spaced within the modules. This structure allows for very efficient self-cleaning from the air supplied by the diffuser. The spacing between each membrane is fixed to avoid uneven aeration and fouling.

3.2 Operation and Maintenance

The Kubota MBR system offers a simple design, simple operation, and simple maintenance. The system can operate at a wide range of MLSS concentrations. The primary method of membrane cleaning for the Kubota MBR system is the air scour provided by the diffusers at the base of the membrane units. The chemical cleaning system is based on a venturi mixing valve that feeds the cleaning solution through the permeate piping. The venturi system is compact and can be wall-mounted as shown in the figure below.

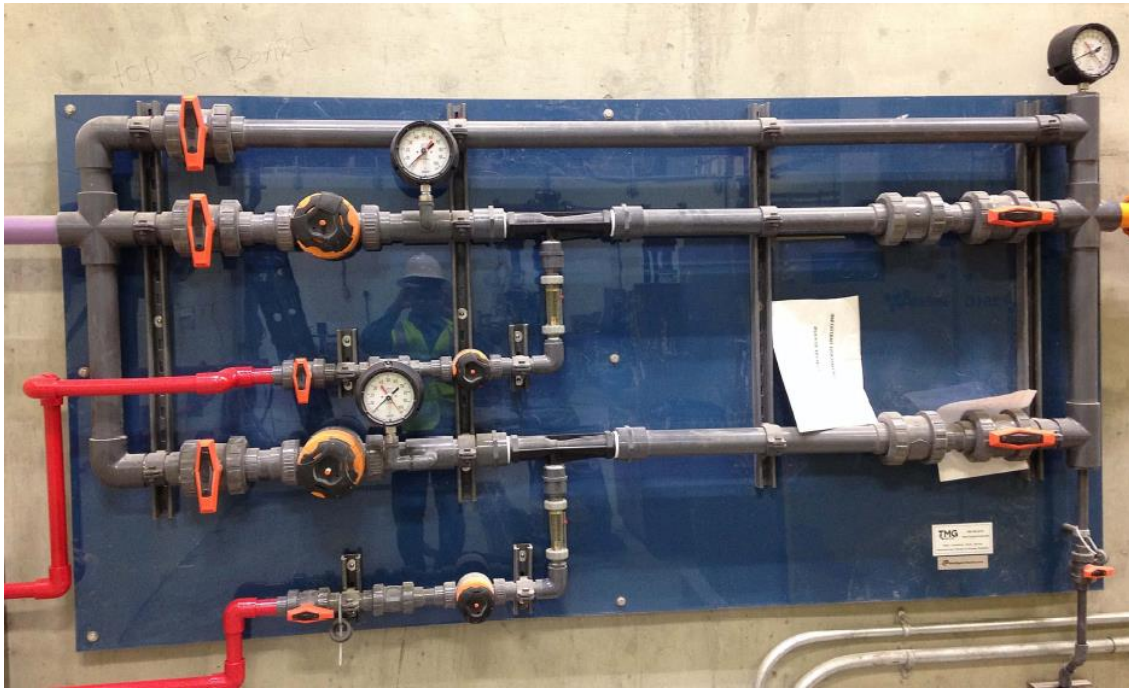


Figure 6: Skid-Mounted Clean-In-Place System

All that is required is stopping the operation, opening a vent, injecting the chemical solution, and allowing that solution to soak in the membrane units for 2 to 4 hours. If the residual chemical cannot be discharged from the system, it can be sent back to the raw water inlet or to the bioreactor in order to neutralize the chemical.

Organic fouling can be cleaned with a 0.5% sodium hypochlorite (NaClO) solution. This is typically done two to four times per year. Inorganic fouling such as iron or aluminum can be cleaned by a 0.5% to 1% oxalic or citric acid solution which is typically needed once a year or less.

This simple and infrequent maintenance cleaning is the only chemical cleaning required; no recovery cleaning is necessary for operation of the Kubota MBR system. There is no need to drain the tanks or remove the membrane units to perform chemical cleaning. Only dilute chemical concentrations are fed to the MBR, and there is no requirement for separate tanks or lined MBR tanks for immersive cleaning. Moreover, the Kubota MBR system does not use the backpulse cleaning that is frequently required for hollow fiber MBR systems. This helps reduce the energy requirements and simplifies the piping and operation of the Kubota MBR system when compared with hollow fiber systems.

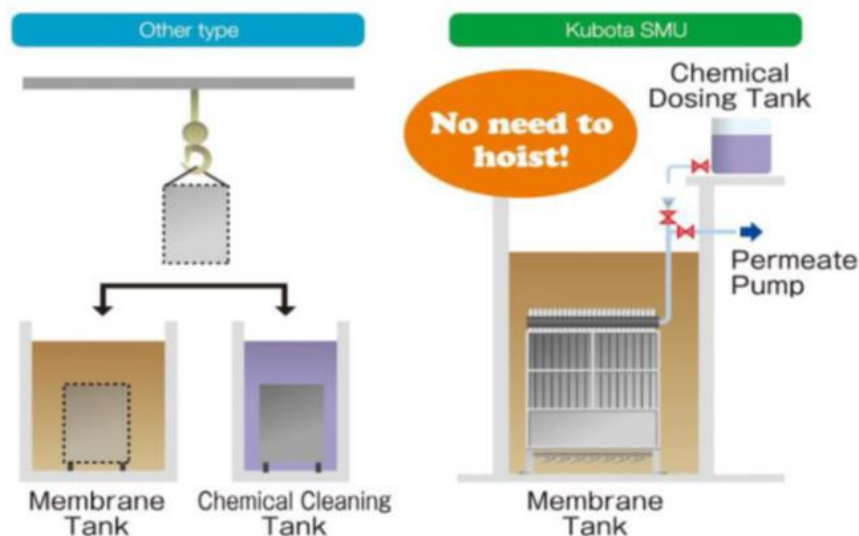


Figure 7: Chemical Cleaning for Other Manufacturers (left) vs. Kubota Membrane Units (right)

The Kubota MBR system was developed in 1990 to be low-maintenance and easy to operate. Since then, Kubota MBR package plants have been installed in many remote communities to treat small flows. Many of these plants run without constant operator attention and are visited only once every two weeks. This illustrates the ease of operation and reliability of the Kubota MBR system.

4 Design Overview

The MBR system for this project was designed based on the following design flows (*Tables 2*). Influent nutrient concentrations are not known at this point, and therefore were not considered in this design.

4.1 Influent Design Flow and Loadings

The following flow conditions were used for the preliminary design of the system. **Biological capacity is based on the Annual Average Day Flow** and hydraulic capacity is based on the Maximum Day Flow.

Table 2: Design Flow Conditions

Condition	Current Flow	Future Flow	Unit
Annual Average Day Flow (AADF)	0.30	1.0	MGD
Maximum Day Flow (MDF)	0.42	1.4	MGD
Peak Hour Flow (PHF)	0.54	1.8	MGD

Table 3: Influent and Effluent Characteristics

Constituent	Influent Concentrations	Effluent Concentration Limit
BOD	250 mg/L	< 5 mg/L
TSS	100 mg/L	< 5 mg/L
TKN	80 mg/L	-
TN	-	< 10 mg/L

Note: Proposed system has biological treatment capacity of listed concentration with incoming flow rate up to AADF condition.

4.2 MBR Specifications

The proposed MBR system is designed to treat the design Average Day Flow indefinitely, the Maximum Day Flow for up to 24 hours, and the Peak Hour Flow for up to 4 hours.

Table 4: Membrane Equipment Specifications

Component	FS200 Specifications
Membrane Model	FK400
Membrane Surface Area per Unit	3,445 ft ² per SMU
Design MLSS at MBR	12,000 mg/L
Number of Membrane Tanks	2 tanks
Total Number of Submerged Membrane Units	10 Units
Minimum Wastewater Temperature in Process Tanks	15°C

4.3 Preliminary Layout

The proposed MBR system expansion was designed based on the assumption that the exiting facility will handle approximately 1/3 of the future flows. This was evaluated by using Kubota's standard biological design parameters to determine how much biological treatment of the total required treatment will occur in the exiting system's treatment volumes. The remaining flow and biological treatment will be done in the new expansion system trains.

This will consist of two new MBR system trains, with a slightly larger footprint than the existing facility. However, the flow schemes will remain the same as before. However, the RAS rates of both the old and new system will need to be 7 Q in order to meet the required TN effluent limits.

Additionally, due to the high influent TKN and the relatively average influent BOD, we are recommending dosing MicroC into the process system in order to supply correct carbon ratios to the system. Whether this is truly required can be investigated further in Biowin, if needed.

There will be two MBR tanks, two pre-aeration (PA) tanks, and two anoxic (AX) tanks. A simple process flow diagram and layout of the facility is included below.

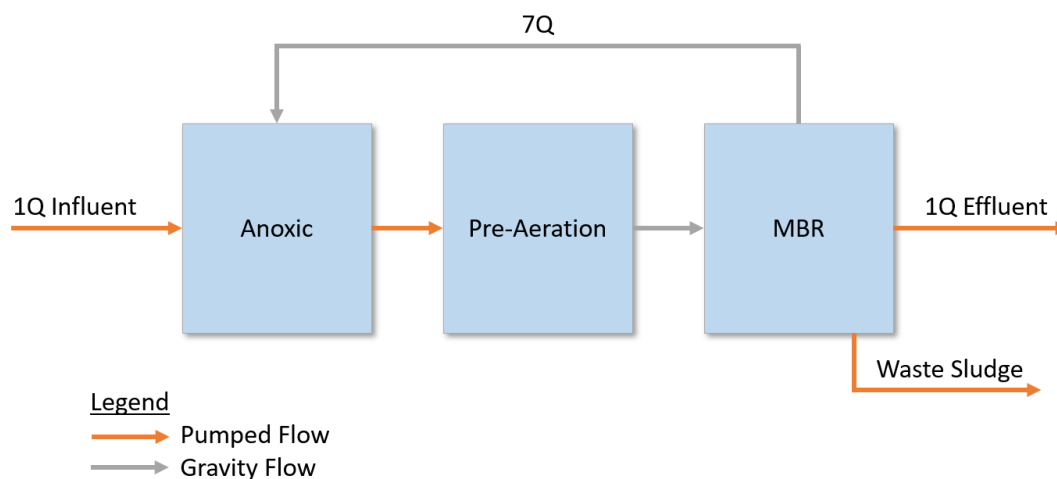


Figure 8: Process Flow Diagram

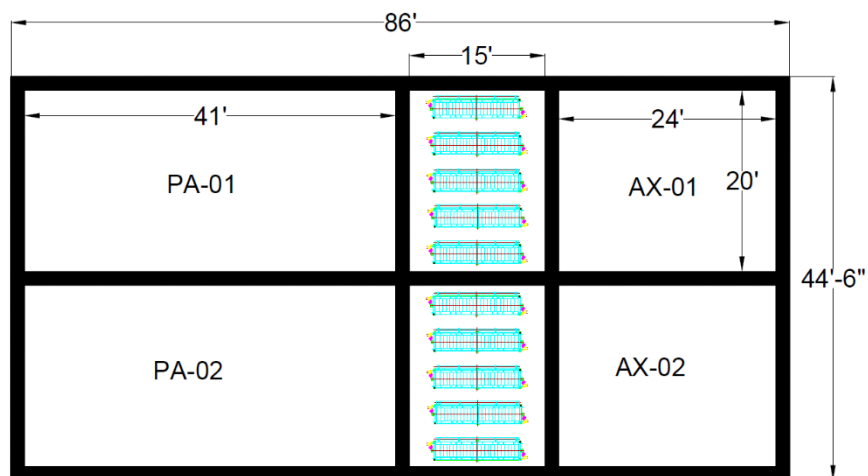


Figure 9: Tank Layout (Copy of Existing Train)

Tank sizes were copied from the existing system. The biological process was not sized for this proposal, since no nutrient information is known at this point. Tank dimensions shown below are approximate and can be modified to fit the project footprint.

Table 5: Tank Dimensions and Hydraulic Retention Times, Expansion only

Tank Name	Dimensions (L' x W')	SWD (ft)	Volume per Tank	Number of Tanks	Total Tank Volume
Anoxic	24' x 20'	13.5'	47,900 gal	2	96,000 gal
Pre-Aeration	41' x 20'	14'	85,500 gal	2	171,000 gal
MBR	15' x 20'	14'	31,400 gal	2	63,000 gal
Total					330,000 gallons

Table 6: Tank Dimensions and Hydraulic Retention Times, Existing Facility

Tank Name	Dimensions (L' x W')	SWD (ft)	Volume per Tank	Number of Tanks	Total Tank Volume
Anoxic	17' x 15'	13.5'	25,800 gal	2	51,200 gal
Pre-Aeration	15' x 15'	14'	23,600 gal	2	47,200 gal
MBR	19.5' x 15'	14'	30,600 gal	2	61,200 gal
Total					160,000 gallons

5 Scope of Supply

The following proposed items will be supplied by Kubota Membrane USA and are included in the budgetary price that is listed in the section below. These items are sized based on Kubota's default sizing guides, and are subject to change depending on updated design information. Additionally, in order to provide a true duplicate of the system an existing list of equipment would be required.

5.1 Major Equipment and Instrumentation for Duplicate System

Table 7: Major Equipment and Instrumentation in KMU's Scope of Supply

Name	Type	Anticipated Size	Quantity
Pre-Anoxic Tank Equipment			
Mixer	Submersible	48,000 gal	2
Level Switch	Float	--	2
Aeration Tank Equipment			
Diffuser	Fine Bubble	680 scfm Estimated*	2
DO Measurement	DO Probe and Controller	--	2
Aeration Blower	Positive Displacement	680 scfm Estimated*	2 duty +1 standby
Level Switch	Float	-	4
Level Transmitter	Diaphragm	-	2
DO Sensor	Probe and Transmitter	-	2
Feed Forward Pump (AX to PA)	Submersible	1,400 gpm	2 duty + 1 spare
Feed Forward Pump Flow Meter	Electromagnetic	10-inch	2
Membrane Tank Equipment			
Submerged Membrane Unit	Flat Plate, 304 stainless steel housing	FK400	10
SMU Guide and Stabilizer Set	304 stainless-steel	-	10
Diffuser Cleaning Valve	Automated Plug Valve	8-inch	2
Level Switch	Float	-	4
Level Transmitter	Diaphragm	-	2
MBR Blower	Positive Displacement	1,100 scfm Estimated*	2 duty + 1 standby
Air Flow Meter	Thermal Mass	8-inch	2
Membrane Tank Piping and Valves			
Permeate Isolation Valves	PVC Ball Valve	2.5-inch	20
Permeate Drop Piping	Schedule 80 PVC	2.5-inch	20 Sets
Air Scour Isolation Valves	Cast Iron Lugged Butterfly	2.5-inch	20
Air Scour/Diffuser Cleaning Drop Piping	Sch. 10 Stainless Steel	2.5-inch	20 sets
Permeate Equipment			
Permeate Pump	Self-Priming Centrifugal	400 gpm	2 duty + 1 standby

Name	Type	Anticipated Size	Quantity
Permeate Flow Meter	Electromagnetic	6-inch	2
Permeate Turbidity Meter	Laser Turbidity Meter and Transmitter	-	1
Permeate Flow Control Valve	Automated Butterfly	6-inch	2
Permeate Vent Valve	Actuated Ball	1-inch	2
Permeate Pressure Transmitter	Diaphragm	-	2
WAS Equipment			
WAS Pump	Centrifugal Pump	40 gpm	1 duty, 1 standby
WAS Pump Flow Meter	Electromagnetic	2-inch	1
Control System Upgrades			
Control Panel for New System	MBR Control Panel	--	1
I/O Upgrades for existing System	Ethernet connections from existing I/O panel to new system panel	--	1
HMI	Updated Kubota HMI for easy operator use	--	1
Other Equipment			
CIP Equipment	Chemical Injection Equipment	--	1
MicroC Dosing	Chemical Injection Equipment	--	1
KMU Support			
Membrane Warranty	Kubota membrane warranty	--	--
Equipment Warranty	Kubota-supplied equipment warranty	--	--
Design Support	Design support provided with every Kubota plant design	--	--
Commissioning	Kubota personnel on-site for help with commissioning	--	--
Training	Operator and/or owner training provided as needed	--	--
Aftersales Support	Kubota stands behind all Kubota plants. Aftersales support technicians are always available to help with troubleshooting, additional training, or other system requirements.	--	--

*Further modeling required to determine actual air flow requirements.

5.2 Equipment Included for Membrane Replacement

Table 8: Equipment included for Membrane Replacement in K MU's Scope of Supply

Name	Type	Quantity
Upper Membrane Cassette	Membranes and Frame for Upper Case EK400	10
Lower Membrane Cassette	Membranes and Frame for Lower Case EK400	10
Replacement Support Service	Kubota support technicians available to help with replacement	-

5.3 Direct Services for System Supply

The following services are included in KMU's scope of supply:

Design Support

- Support during preliminary and final design.
- One day on-site design meeting.
- Construction submittals including shop drawings.
- Preparation and submittal of a system O&M manual for KMU supplied systems and equipment.
- Equipment delivery coordination with the contractor.
- One day on-site delivery inspection of Submerged Membrane Units.

Commissioning

- 15 days on-site for installation inspection, start-up, and commissioning including dry and wet equipment checks, clean water testing, and support during seeding and start-up.
- Additional days are available as needed.

Training

- 3 days of on-site, hands on operator training using a mix of classroom and field time. See Table 7 below for list of training topics.

Table 9: Training and Workshops Included in KMU's Scope of Supply

Training/Workshop	Brief Summary
HMI	1. Navigation of all HMI screens and menus. 2. Review of automatic operations and controls. 3. Changing process set points. 4. Overriding controls from the HMI. 5. Manual operation of the system in the event of a power failure.
CIP training	1. Navigation of CIP (Clean-In-Place), in-situ maintenance chemical cleaning. 2. Control from HMI and operation of manual valve. 3. Adjust set points of chemical flow.
Troubleshooting	1. Case study of troubleshooting 2. Recovery from trouble 3. "Fish bone" approach
Daily testing	1. Filterability test 2. Viscosity measurement

Workshop/Additional Training Available (No Charge)

- In addition to our standard training at commissioning, Kubota Membrane USA will host an annual regional operator workshop in which operators meet to exchange ideas and learn about the latest developments in MBR technology.
- Customized individual training, such as membrane disassembly training, is also available upon request.

Remote Monitoring Available (No Charge for First Year)

○ *Support by Remote Monitoring*

The Kubota membrane system as proposed includes an HMI system that can be remotely monitored and controlled, provided wireless connectivity is available. Technical support staff can monitor the status of your system to proactively address potential problems. Whenever a call is placed to our service staff, that person will be able to log in to the HMI system and easily see what is happening at the plant.

5.4 Exclusions to KMU's Scope of Supply

The following items are not currently included in the KMU scope of supply:

- Civil works including installation of equipment, piping, and wiring.
- Pretreatment/Headworks (fine screening, grit removal, DAF, etc.)
 - ✓ Kubota recommends an internally-fed drum screen with 2-mm perforations for fine screening. KMU can provide fine screening equipment for an additional cost.
- Equalization system (pump, mixer, etc).
- Disinfection system.
- Solids handling equipment and digesters.
- Chemical dosing pumps and chemical storage facilities.
- Concrete tanks, building construction, etc.
- Flow controls including weir gates, telescoping valves, etc.
- Heat trace.
- Electrical system (main electrical, generators, etc.)
- All piping greater than 3-inch diameter including permeate, air scour, and diffuser cleaning headers.
- VFDs and motor controllers.
- Equipment lifts or hoists.
- Seismic bracing for equipment, if needed.
- Any systems for operation in a classified area. All supplied systems will be "unclassified" in accordance NFPA Standard 820.
- Any AIS or BABA requirements.

6 Warranty

Equipment Warranty

KMU's standard 2-year membrane warranty and 1-year mechanical equipment warranty is included in the main budgetary price proposed (Table 8) and goes into effect at the commencement date of commissioning. The warranty included is a guarantee that the products supplied by Kubota are free from defect in material or workmanship.

7 Budgetary Price

The estimated budgetary price for the equipment and instrumentation described herein is shown below in Table 10. The pricing herein is for budgetary purposes only and does not constitute an offer of sale. Freight, taxes or duties are not included.

Table 10: Budgetary Price for Proposed KMU MBR Equipment

Budgetary Prices	
Budgetary Price – Duplicate of Existing System	\$1,760,000 excluding sales tax and freight
Price – EK400 Membrane Replacement	\$447,000 excluding sales tax and freight

Tax will be added to this total at the time of sale based on the applicable tax rate.

8 24/7 Technical Support

24/7 phone support is available in addition to support during regular business hours. 24-hour technical support calls are shared within the KMU staff so that you can rest assured knowing that knowledgeable engineers and technicians are just a phone call away.

9 Additional Services (Optional)

The following service plans are optional and may be added to KMU's scope of supply if desired for an additional cost.

Kubota Custom Membrane Support Plan

KMU can customize your support/service package to meet your needs. The following table shows a variety of our available services:

Table 11: KMU's Available Services

Service	Note
Periodical technical support	Monthly, Quarterly, Annually
24/7 phone support	
HMI monitoring	Weekly, Monthly, Quarterly
Periodical site visit	Quarterly, Semi-annually, Annually
Membrane inspection	Annual, Semi-annual, 3x per year
Program (HMI, etc.) update	Based on hydraulic changes, such as increases in flow or changes in operation.

Technical Memorandum

Date: December 18, 2024

To: Mr. Frank Marbury – Town of Chino Valley
Mr. Mark Holmes – Town of Chino Valley

From: Taylor Pierce, PE – PACE

Re: Chino Valley WRF Project Phasing Plan

#C104

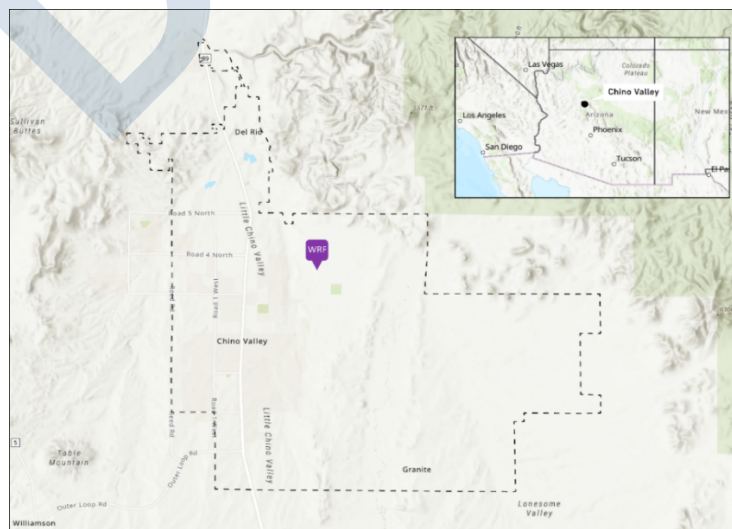
1.1 Introduction

This memorandum outlines the phasing plan to separate the scope of the proposed Town of Chino Valley WRF Improvements Project into two independent stand-alone projects while ensuring compliance with the Town's budget constraints and grant application timelines. The project will be divided into two packages, each with a maximum construction cost of \$5 million, based on the most recent engineer's opinion of probable cost. The project phasing plan is being presented alongside the Conceptual Design Report (CDR) to assist the Town in their targeted funding applications.

1.2 Background

The Town of Chino Valley (Town) owns and operates the Chino Valley Water Reclamation Facility (CVWRF) for treatment of municipal wastewater generated within a portion of the Town limits. The CVWRF was designed with an intended design capacity of 0.5 million gallons per day (MGD). The facility consists of an offsite influent lift station, a headworks facility for fine screening and grit removal, two MBR process trains each consisting of Anoxic / Pre-Aeration / Membrane Separation tanks, an in-line ultraviolet (UV) disinfection system, a final effluent booster pump station, a Waste Activated Sludge (WAS) dewatering screw press and five offsite rapid infiltration basins. The Town is underway on the design of improvements to the facility to address biological and hydraulic loading issues and to improve operations at the facility. A conceptual design layout was submitted to the Town on September 10, 2024. A map of the CVWRF location in proximity to the Town limits is provided in Figure 1 below.

Figure 1 – CVWRF Location Map



1.3 Phasing Plan

This phasing plan ensures that the project is divided into manageable and fundable segments, allowing the Town to proceed with grant applications and maintain project momentum. The project will be divided into two separate packages, each with a maximum budget of \$5 million based on the most current cost estimates. Given the urgency and competitive nature of grant applications, we cannot delay the split scope delineation for a contractor to be awarded and provide a detailed cost estimation, which would take a minimum of 90 days. Site improvements and the Yavapai College sewer line, which the Town intends to self-perform or separate from the project, will be indicated on future plan sets as "completed by others." Exhibits are provided to show the delineation of the project components within the design plans.

1.3.1 Provided Exhibits

- Exhibit 1 – Town of Chino Valley WRF Improvements (By Others)
- Exhibit 2 – Town of Chino Valley WRF Improvements (Phase 1)
- Exhibit 3 – Town of Chino Valley WRF Improvements (Phase 2)

1.3.2 Approval of Phasing Plan and Project Next Steps:

- Town will review the proposed delineation of scope
- Town will prepare and submit grant applications
- Town will prepare advertisement for a Construction Manager at Risk Contractor (CMAR)
- Engineer shall prepare and submit the 60% design package, which will include:
 - 60% design plans for Phase 1 Improvements
 - 60% design plans for Phase 2 Improvements
 - Draft BODR (based on the previously provided CDR)
 - 60% Phase 1 Technical Specifications
 - 60% Phase 2 Technical Specifications

1.4 Chino Valley WRF Improvements Phase 1

The primary scope components within Phase 1 include the installation of new equalization (EQ) basins, a new EQ lift station, new sludge pumps, new sludge storage tanks, and offsite lift station canopy.

Equalization Basins and Lift Station

There are currently flow and loading issues within the existing headworks due to plug flows from the existing offsite lift station. The plug flows cause ragging within the 3mm Huber Rotary Drum Screen as well as the downstream grit removal system. As the effectiveness and lifetime of an MBR system is highly reliant on adequate screening of influent waste, it is critical that the headworks system operates as intended. Along with proper pre-screening, MBR systems work best with continuous and stable influent flows. The lack of on-site equalization storage forces the MBR cassettes to be overwhelmed and operate at higher flux levels than recommended.

To fix the issues within the existing headworks and to reduce strain on the MBR system, two (2) new equalization basins, each with a capacity of 105,000 gallons, will be installed along with an EQ lift station. All influent flow to the headworks will be rerouted to the EQ lift station through an 8" force main. The influent force main will discharge into the EQ lift station, at which point, it will be screened through a new automatic bar screen. The EQ lift station is connected to both of the EQ basins through a wall opening that can be sealed with a manual knife gate, allowing either basin to be isolated or taken out of operation. Anoxic conditions within the EQ basins will be prevented through the installation of two floating surface aerators. The EQ lift station will include the installation of two (2) submersible 700 gallons per minute (gpm), VFD controlled wastewater pumps. The new submersible pumps will provide flow to the existing headworks through a new 8" force main. Through the use of VFDs, flow will be metered out of the EQ lift station at a constant rate (equal to the previous day's average daily flow) to both improve the effectiveness of the existing headworks equipment and to stabilize membrane flux.

Sludge Storage Tanks and Pumps

Two (2) new 6,250 gallon aerated sludge storage tanks will be installed on-site to allow facility operators greater flexibility with their dewatering schedules. Currently, the existing dewatering screw press is required to run for more than 8-hours every day to dewatering the amount of sludge produced. As the dewatering screw press is not operated on weekends, the MBR system may become overwhelmed with sludge volumes at critical sections of the treatment train. The new sludge

system will include the installation of one (1) submersible sludge pump in each of the pre-air basins for a total of two (2) new sludge pumps. The pumps will convey flow through a new sludge line into the proposed sludge storage tanks. Manual valves will allow operations staff to control which tanks are in operation. Each tank will contain submersible coarse bubble diffusers to aerate the sludge and prevent septic conditions from developing. The diffusers will be supplied air from the existing pre-air aeration piping on-site.

The outlet from the proposed storage tanks will tie into the existing 4" sludge line to the Dewatering Room. The existing sludge valves and sludge lines will be protected and will remain in operation to allow operations staff to bypass the proposed sludge storage tanks and pumps.

Phase 1 Timeline

This timeline outlines the key construction activities and their respective durations for the Chino Valley WRF Improvements Phase 1 project. It includes equipment procurement, over excavation and structural work, mechanical installation, and startup and commissioning.

- **Equipment Procurement: 3 months**
 - Order and receive all necessary equipment.
- **Over Excavation and Structural Work: 2 months**
 - Complete over excavation.
 - Perform structural construction.
- **Mechanical Installation: 1 month**
 - Install mechanical systems.
- **Startup and Commissioning: 2 weeks**
 - Conduct startup procedures.
 - Complete commissioning.
- **Estimated Total Construction Timeline: 26 weeks.**

1.5 Chino Valley WRF Improvements Phase 2

The primary scope components within Phase 2 include the installation of a new maintenance bed, the procurement of a new Vactor truck, the installation of a new redundant dewatering screw press, the replacement of the existing UV disinfection units, odor control units for both the Headworks Building and the Dewatering Room, and the completion of the PFAS Pilot study.

Maintenance Bed

A new Vactor dump station will be installed to allow the CVWRF to receive and screen the volume of collected material from the Town's Vactor truck(s). The proposed Vactor dump station will be located adjacent to and share a wall with the Phase 1 equalization basins. The Bed is sized to handle approximately 7,500 gallons of liquid waste. The waste will flow by gravity into the facilities septic tank which will convey flow into the EQ pump station screen which will be constructed in Phase 1.

Dewatering Screw Press

A new dewatering screw press will be procured and installed to provide redundancy and increase the total dewatering capacity of the CVWRF. The existing screw press is a Huber Q-Press 440.2. The proposed screw press will be the same model to provide redundancy in parts and operation. The Dewatering Room layout will be reconfigured to accommodate new and existing equipment. Equipment will be relocated such that the two screw presses can be installed adjacent to one another and the roll-off dumpster will be relocated outside the building. The proposed screw press will be raised on stands to match the elevation of the existing unit. A new sludge pump, a new polymer dosing system, and new piping, valves, and flowmeters will be required to bring both presses into operation.

UV Unit Replacement

The existing UV disinfection system is comprised of two (2) separate Wedeco in-line UV disinfection trains. The existing units are nearing the end of their useful life and have deteriorating treatment capability and efficiency. The existing Wedeco units will be replaced with updated units from Wedeco. The replacement units each contain six (6) low pressure, high intensity lamps per unit. The replacement UV units will fit within the same footprint as the existing units and, as such, will require minimal costs aside from equipment costs.

Vactor Truck

The Town has sourced a new vactor truck to replace the existing vehicle, which has become more unreliable and poses safety risks. This new vactor truck, along with the Maintenance Bed, will be utilized for the Town's cleaning and excavating operations. The upgraded equipment will enhance efficiency and safety in maintaining the Town's infrastructure, ensuring that maintenance tasks are performed effectively and reliably.

Odor Control Units

In order to improve the air quality of some areas of the facility and to reduce the discharge of hazardous gasses such as hydrogen sulfide (H₂S), two (2) new odor control units will be installed: one odor control unit will purify the Headworks Building and one odor control unit will purify the Dewatering Room. Each odor control unit will be placed on a concrete pad outside of the respective buildings/rooms and will pull air from within the areas through new ducting.

PFAS Pilot Study

Pilot testing of a per- and polyfluoroalkyl substances (PFAS) remediation system will be performed as part of Phase 2. The pilot testing will evaluate several adsorption removal media, to determine the efficacy of removing PFAS from treated wastewater. The pilot study will be performed on CVWRF treated effluent for a duration of six (6) months. Water quality monitoring will be performed by PACE, and additional water quality testing will be performed by a third party lab. After six months of testing, PACE will determine if full-scale PFAS treatment on the WRF's effluent is a feasible and cost effective option for the Town. A summary of the pilot test is shown below:

1. **Pilot Study Scope:**
 - Perform pilot testing for 6 months
 - Evaluate at least 2 different adsorption media
 - Perform limited on-site water quality testing
 - Prepare water quality testing samples for send-off to reference labs
2. **Resources Required by Town:**
 - Space allocation for pilot testing
 - Temporary piping to and from testing site
 - Procurement of various adsorption media
 - Media disposal method (e.g. to landfill)

Phase 2 Timeline

This timeline outlines the key construction activities and their respective durations for the Chino Valley WRF Improvements Phase 2 project. It includes equipment procurement, mechanical installation, and startup and commissioning.

- **Equipment Procurement: 6 months**
 - Order and receive all necessary equipment.
- **Mechanical Installation: 2 months**
 - Install mechanical systems.
- **Startup and Commissioning: 2 weeks**
 - Conduct startup procedures.
 - Complete commissioning.
- **Estimated Total Construction Timeline: 34 weeks.**

1.6 Overall Cost Estimate and Schedule

Updated cost estimates are as follows for the project; Phase 1 at \$4.2 million and Phase 2 at \$3.7 million, both within the \$5 million budget limit per package. The schedule for Phase 1 anticipates 60% design completion by February 2025, final design completion by June 2025, and construction start by July 2025 and construction completion by February 2026. For Phase 2, the 60% design final design completion and construction start date can be the same as Phase 1 if funding allows for it with a construction completion for April 2026. Detailed cost estimates are provided as an attachment to this memorandum.

Table 1 – Chino Valley Phase 1 WRF 30% Construction Cost Estimate

Chino Valley Phase I WRF 30% Construction Cost Estimate	
Description	Total Cost
Site Improvements	\$ 61,600.00
Odor Control Improvements	\$ 215,120.00
Equalization Basin Pump Station	\$ 810,800.00
Equalization Basins	\$ 687,400.00
Dewatering Improvements	\$ 281,000.00
Site Electrical Improvements	\$ 669,000.00
Construction Subtotal:	\$ 2,724,920.00
Contractor GC/OVHD/Profit/Contingency	\$ 1,498,706.00
Total Construction Cost:	\$ 4,223,626.00

Table 2 - Chino Valley Phase 2 WRF 30% Construction Cost Estimate

Chino Valley WRF Phase II 30% Construction Cost Estimate	
Description	Total Cost
Site Improvements	By Owner
Headworks Odor Control Improvements	\$ 215,120.00
Effluent Pump Station Improvements	\$ 105,000.00
Dewatering Improvements	\$ 783,397.00
New Vactor Truck Receiving Station	\$ 127,700.00
New Vactor Truck	\$ 650,000.00
Site Electrical Improvements	\$ 567,000.00
Construction Subtotal:	\$ 2,448,217.00
Contractor GC/OVHD/Profit/Contingency	\$ 1,346,519.35
Total Construction Cost:	\$ 3,794,736.35

1.7 Coordination and Integration

1.7.1 Coordination and Communication

Coordination will be vital throughout the construction and integration of both design Phases. It is anticipated that only the mechanical and structural construction components of the project will be completed by the selected CMAR contractor. Currently, the Town plans to self-perform all civil site work (excluding civil work required for basin/structural installations). A separate contractor will install and tie in the proposed Yavapai College sewer line into the CVWRF.

1.7.2 Key Integration Points & Sequencing

All proposed tasks within Phase 1 can be completed independently of other parties (civil and sewer). The odor control units can be installed without disrupting any WRF processes, the sludge storage tanks and sludge pumps only require basin isolations, and the EQ basins and pump station can be integrated into the site before, after, or concurrently with the installation of the new gravity sewer line.

As currently planned, if the gravity sewer line is connected to the site drain pit at the headworks before constructing the EQ basins, the WRF will continue to operate as it currently does, but this will exacerbate loading issues with the MBR system. Ideally, the Phase 1 EQ basins and pump station should be installed and operational before collecting waste from the Yavapai College sewer. The waste from the College is expected to be typical municipal wastewater, not industrial or septic waste, so it should not cause issues within the MBR treatment system. Once the EQ basins and pump station are installed, the pumps from the on-site drain pit will need to be rerouted from the headworks influent header to the EQ pump station and screen. The EQ basins and pump station will then meter flow back into the WRF, equalizing and diluting all incoming flow.

Phase 2 will require significant coordination and planning among responsible parties. The Vector dump station shares a wall with the EQ basins, and collected sewage from the dump station will connect to the new Yavapai College gravity sewer line. High-strength wastewater should be metered into the WRF; therefore, any flow from the Vector dump station should enter the Phase 1 EQ basins before being conveyed to the headworks. The work within the Dewatering and Disinfection Rooms can be completed independently of other project components.

For the ideal sequence of construction, the following order is recommended for efficiency:

- WRF Phase 1
- Yavapai Sewer Line Connection (by others)
- WRF Phase 2
- Site Civil Work (by others)

The proposed Yavapai sewer line may be constructed before or concurrently with Phase 1, but operators should be cautious about conveying potentially high-strength or septic flow from new sources directly into the WRF until the existing site drain at the headworks is connected to the Phase 1 EQ process.

Phase 2 should be constructed after the Yavapai sewer line and all Phase 1 components are built and operating as intended. The Phase 2 Vector dump station cannot operate at full capacity until the Yavapai sewer line and Phase 1 EQ system are functioning as planned. Phase 2 construction components related to the dewatering and UV systems are not dependent on work outside the Phase 2 scope.

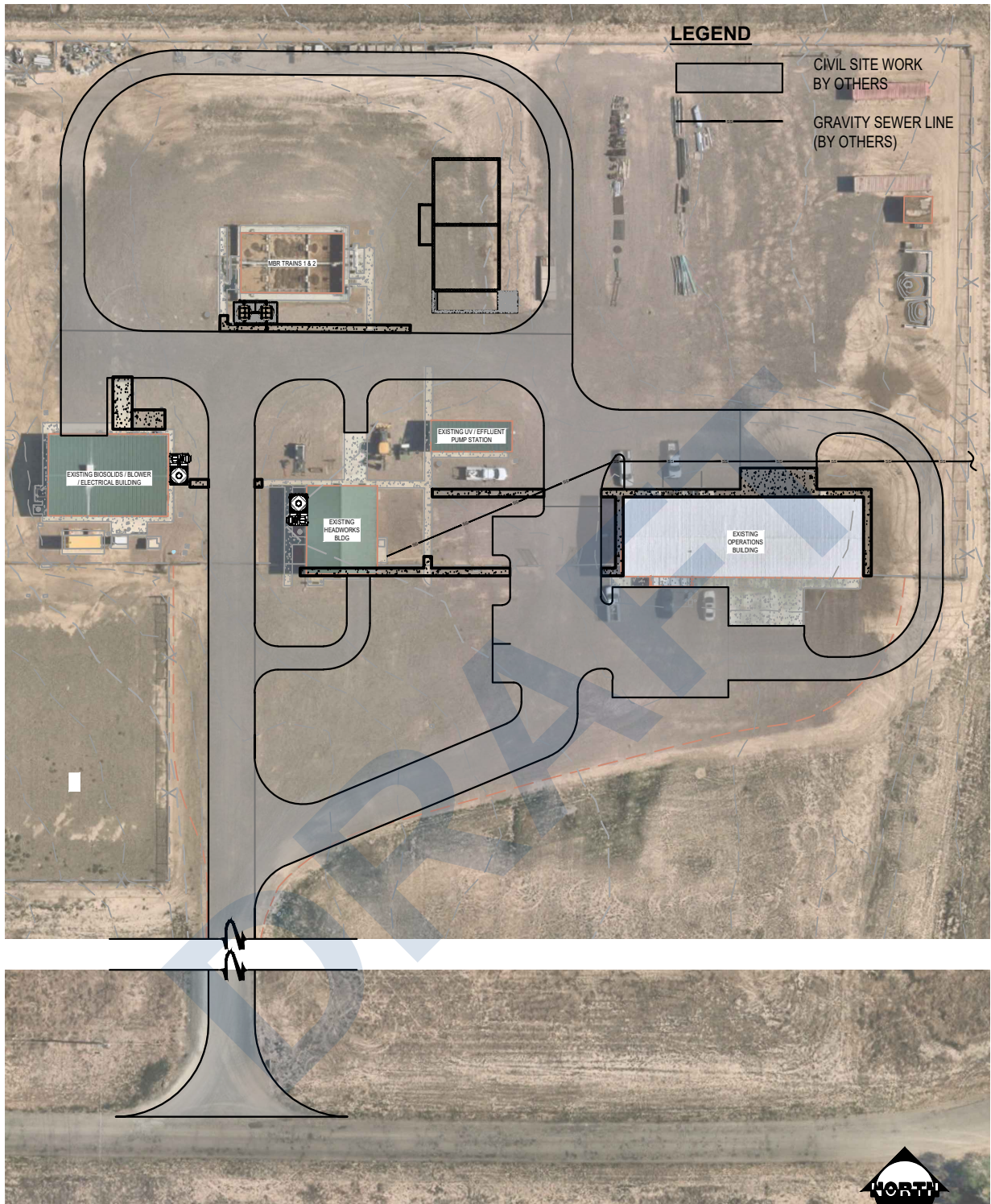
Since all site civil work will be self-performed by the Town, it is beneficial to complete this work after all structural and underground process components are installed and operational.

Potential Problems

It is important to note that the separation of the project into individual Phases may cause additional issues during construction. As it is planned that a single CMAR contractor will complete the work within both Phases, a delay in funding may create a period in which no construction can occur. Should Phase 1 be constructed and the funding be delayed for Phase 2 for a period of time, the CMAR contractor may choose to demobilize all equipment and personnel from the site until the subsequent phase is funded. The Town may face additional construction costs as mobilization & demobilization may occur twice.

1.8 Conclusion

This phasing plan ensures the project is divided into manageable and fundable segments, allowing the Town to proceed with grant applications and maintain project momentum. Collaboration between all key parties will be critical to ensure that all proposed improvements to the CVWRF move forward smoothly and as intended.



EXHIBIT

EXH-1



17520 Newhope Street, Suite 200 | Fountain Valley, CA 92708
P: (714) 481-7300 | www.pacewater.com

SCALE AS SHOWN

DESIGNED TP

DRAWN NT, WW

CHECKED JM

DATE DEC 2024

JOB NO. C104

JOB

TOWN OF CHINO VALLEY
WRF IMPROVEMENTS
(BY OTHERS)

CHINO VALLEY

AZ

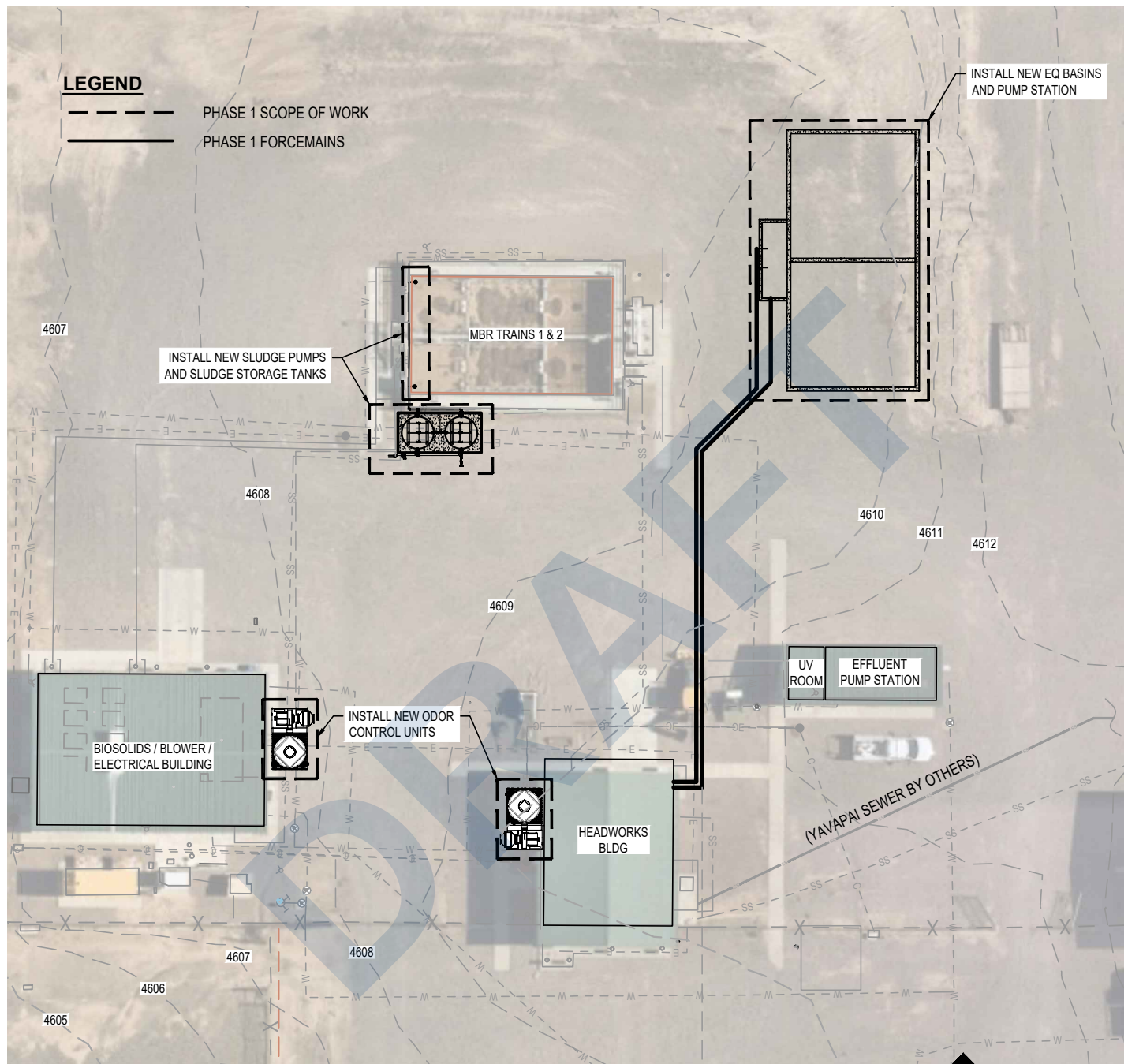
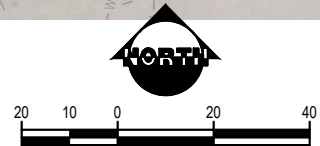
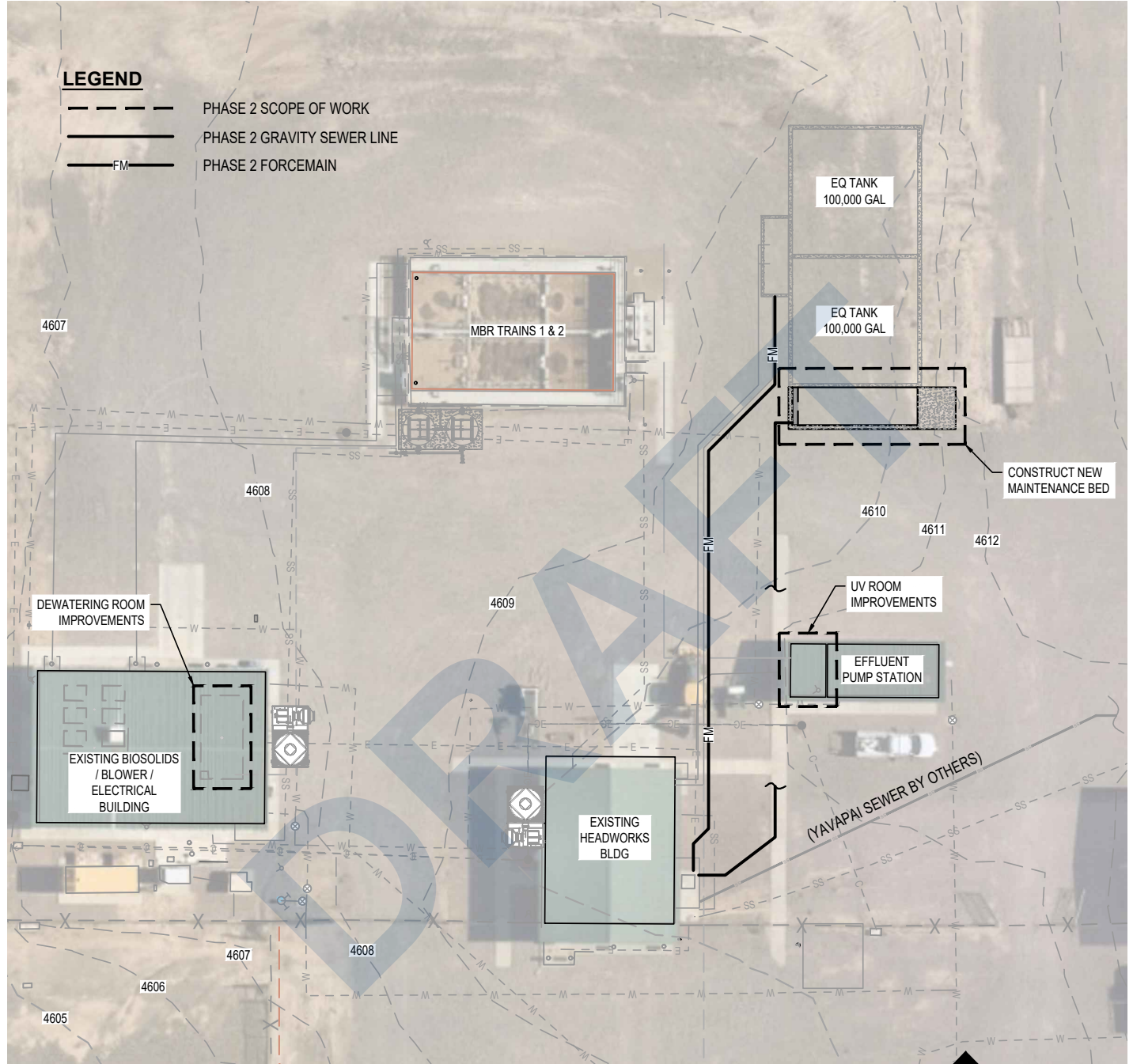


EXHIBIT	 PACE <i>Advanced Water Engineering</i> 17520 Newhope Street, Suite 200 Fountain Valley, CA 92708 P: (714) 481-7300 www.pacewater.com	SCALE	AS SHOWN	JOB TOWN OF CHINO VALLEY WRF IMPROVEMENTS PHASE 1 CHINO VALLEY AZ
EXH-2		DESIGNED	TP	
		DRAWN	NT, WW	
		CHECKED	JM	
		DATE	DEC 2024	
		JOB NO.	C104	



EXHIBIT

EXH-3

PACE
Advanced Water Engineering

17520 Newhope Street, Suite 200 | Fountain Valley, CA 92708
P: (714) 481-7300 | www.pacewater.com

SCALE	AS SHOWN
DESIGNED	TP
DRAWN	NT, WW
CHECKED	JM
DATE	DEC 2024
JOB NO.	C104

JOB

TOWN OF CHINO VALLEY
WRF IMPROVEMENTS
PHASE 2

CHINO VALLEY **AZ**

Technical Memorandum

Date: April 30, 2025

To: Town of Chino Valley

From: Taylor Pierce, PE – PACE
Nathan Tesch, EIT - PACE

Re: Chino Valley WRF 1.0 MGD ADF Phase III Expansion Plan and Cost Estimate #C104

1.1 Background

The Town of Chino Valley operates the Chino Valley Water Reclamation Facility (CVWRF), designed and constructed in 2004 with a capacity of 0.5 million gallons per day (MGD). The facility includes an influent lift station, headworks for screening and grit removal, two MBR process trains, UV disinfection, effluent booster pump station, WAS dewatering screw press, and five rapid infiltration basins. Phase I upgrades to the facility are currently in the design phase, the upgrades include aerated equalization basins, an equalization pump station with coarse screening, aerated sludge storage tanks, odor control units and miscellaneous site improvements. Phase II will include additional site improvements, a second dewatering screw press unit, and a vector truck dump station for the Town's use.

The facility was designed to treat Average Daily Flows (ADF) of up to 0.5 MGD with influent loading conditions of 250 mg/L Biological Oxygen Demand (BOD), 220 mg/L Total Suspended Solids (TSS), and 50 mg/L Total Kjeldahl Nitrogen (TKN). Although the CVWRF is currently satisfying permit requirements and improvements are currently being designed, there is concern that the growth within the service area may require a facility expansion sooner than previously anticipated. This memorandum presents the findings and recommendations for increasing the hydraulic capacity of the CVWRF from 0.5 MGD to 1.0 MGD. The evaluation and assumptions made within this memorandum are based on information provided by the Town. It is advised that the Town conduct a flow and loading study using a temporary flow meter and autosampler to establish accurate design parameters before proceeding with the expansion.

1.2 Flow Characteristics

1.2.1 Existing Flows

Annual Average Flow (AAF) and Peak Day Flow (PDF) from January of 2015 through June of 2021 were presented in the Equalization Basin Design Technical Memorandum, prepared by Kimley-Horn in 2022 (KH - 2022). The data prepared by Kimley-Horn was compiled with updated flow data that the Town provided between January of 2022 and March of 2025. Between the years of 2015 through 2021, the AAF increased by an average of approximately 11,500 Gallons per Day (GPD) per year. In the years following 2021, the AAF increased by an average of approximately 4,500 GPD.

As can be seen in Table 1 below, the Peak Day Flow to Average Annual Flow ratio stayed consistent between 1.1 and 1.3 but spiked to 1.4 during 2020, 2021, and 2022. As the PDF/AAF ratio has stayed consistent prior to and following the years of the Covid-19 pandemic, the PDF/AAF ratios between 2020 and 2022 are assumed to be outliers and not representative of regular wastewater flow. In recent years based on historic data, the PDF/AAF ratio is most closely 1.2.

Table 1 – CVWRF Average Daily Flow and Peak Daily Flow

Year	Annual Average Flows (gpd)	Peak Daily Flow (gpd)	PDF/AAF Ratio	AAF Growth (gpd)
2015	235,877	273,021	1.16	-
2016	239,052	306,210	1.28	3,175
2017	251,966	314,401	1.25	12,914
2018	260,906	346,702	1.33	8,940
2019	272,352	314,632	1.16	11,446
2020	290,322	414,107	1.43	17,970
2021 ¹	304,572	435,457	1.43	14,250
2022	310,210	436,428	1.41	5,638
2023	315,613	371,548	1.18	5,403
2024	318,932	386,613	1.21	3,319
2025 ²	322,680	370,467	-	3,748

Notes:

¹This row only includes 6 months of data from January 1, 2021 to June 30, 2021.

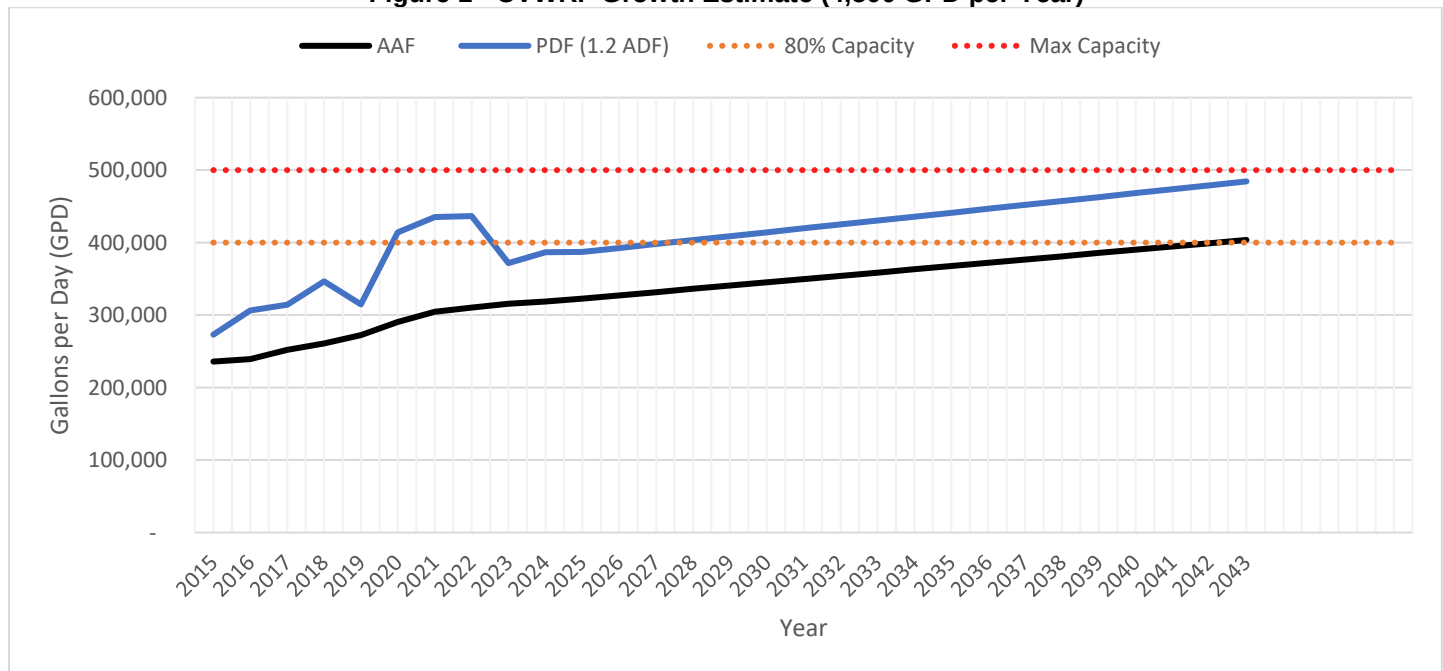
²This row only includes 3 months of data from January 1, 2025 to March 31, 2025; as such, there isn't sufficient data to determine annual PDF/AAF Ratio.

Diurnal flow data was not available at the time of this memorandum so the estimated Peak Hour Flow (PHF) factor of 1.8 will be maintained as it was estimated and accepted in both the KH report and previous evaluations by PACE.

1.2.2 Projected Future Flows

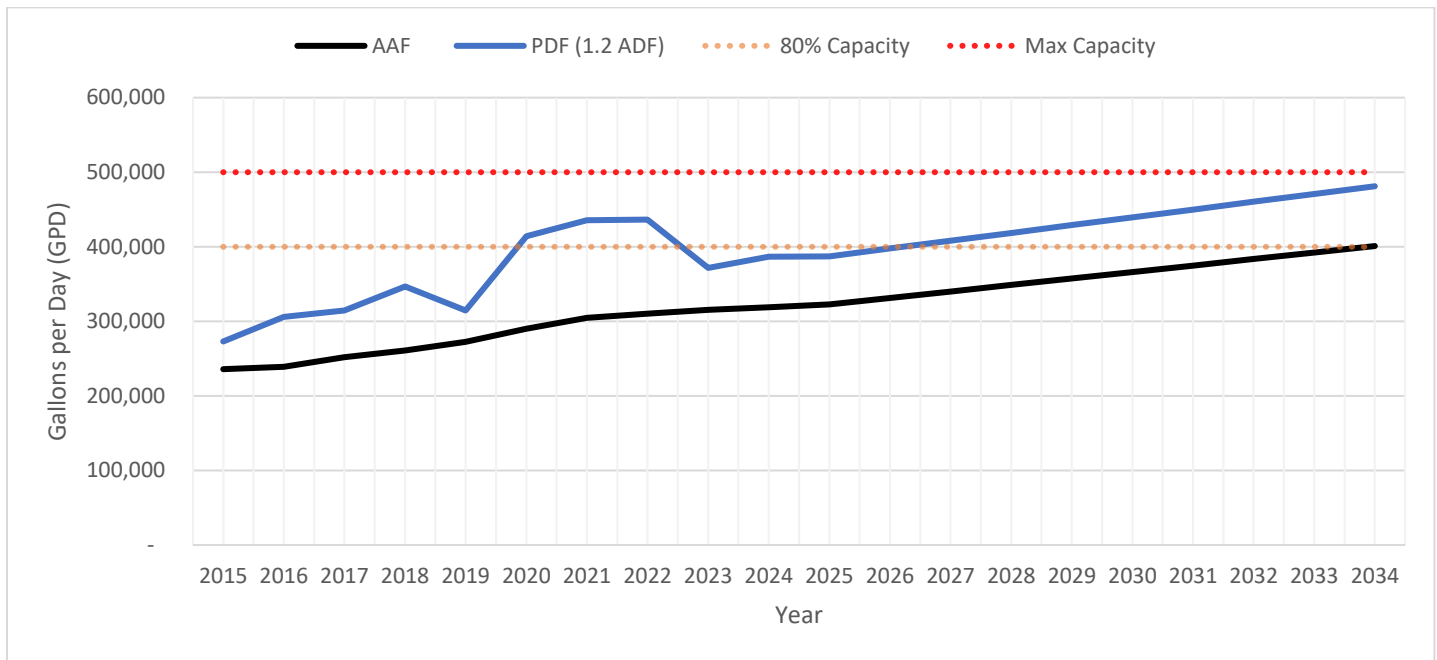
If Annual Average Flow continues to increase by 4,500 GPD per year, as it has averaged over the last four years, the CVWRF will reach 80% AAF capacity (400,000 GPD) by 2043. In the year 2043, if the PDF/AAF ratio continues to be 1.2, the PDF is expected to be 484,416 GPD.

Figure 1 - CVWRF Growth Estimate (4,500 GPD per Year)



If Annual Average Flow continues to increase by 8,700 GPD per year, as it has averaged over the last 10 years, the CVWRF is expected to reach 80% AAF capacity (400,000 GPD) by 2034. During the same year, the PDF would be expected to be 481,176 GPD at a PDF/AAF ratio of 1.2.

Figure 2 - CVWRF Growth Estimate (8,700 GPD per Year)



In order to provide a conservative estimate of growth within the CVWRF sewershed, planning should continue under the assumption that the average wastewater generation is increasing by 8,700 GPD annually (as shown in Figure 2). In the State of Arizona, wastewater facilities are required to begin planning for facility expansion when AAF to the facility reaches 80% of its designed capacity and be in construction for capacity expansion when the facility reaches 90% of its design capacity. The Town of Chino Valley has approximately 9 years until the 80% capacity threshold is reached.

Using current flow rates, the existing Aquifer Protection Permit (APP), and the latest loading data, PACE revised and developed new design criteria for both current and future loading conditions anticipated for the CVWRF. Based on recent flow data mentioned in Section 1.2.1, the Maximum Day Flow factor should be reduced to 1.2. The Evaluation Design Criteria are summarized in Table 2 below.

Table 2 - Evaluation Design Criteria

Design Criteria	Current Flow (MGD)	Future Flow (MGD)
Design Treatment Capacity	0.5	1.0
Annual Average Day Flow (ADF)	0.3	1.0
Maximum Day Flow (PDF)	0.6	1.2
Peak-Hour Flow (PHF)	0.9	1.8
Influent Characteristics		
BOD (mg/L)	300	
TSS (mg/L)	100	
Total Kjeldahl Nitrogen (TKN) (mg/L)	80	
Ammonia (NH3) (mg/L)	45	
Effluent Requirements ¹		
Total Nitrogen (mg/L)	<10	
Fecal Coliform (CFU/100mL) - 4 of 7 Daily Samples	Non-Detect	
Fecal Coliform (CFU/100mL) - Single Sample Maximum	23	

Notes:

¹Effluent requirements are based on existing APP limits.

1.3 Facility Capacity Evaluation

1.3.1 Existing Hydraulic Capacity

The hydraulic capacities were determined in the WRF Capacity and Expansion Evaluation (PACE 2023). Table 3 below, lists the capacities of existing equipment for each of the facility's components and processes.

Table 3 – Existing Unit Process Information

Process Component	Description
Influent Lift Station	
Influent Pumps	KSB KRT-R-100-316-250
Pump Quantity	2
Pump Horsepower	31
Pump Capacity per Pump	700 GPM @ 100' TDH
Aerobic Storage and Pump Station	
Influent Coarse Screen	Aqualitec
Screen Opening Size	9.5mm
Number of Screens	1
Maximum Hydraulic Flow Rate	1.0 MGD
Storage Pump Station Pumps	NP 3127 MT3 Adaptive 439
Pump Quantity	2
Pump Horsepower	10
Pump Capacity per Pump	740 GPM @ 27.9' TDH
Number of Aerobic Storage Trains	2
Aerobic Storage Total Working Volume	210,000 Gallons
Aeration System	Aqua-Aerobic Surface Aerator
Aerators per Train	1
Headworks	
Screening	Huber Rotamat
Screen Opening Size	3mm
Number of Screens	2
Maximum Hydraulic Flow Rate	1.0 MGD
Bagging Unit	Yes
Grit Removal	Westech
Diameter	7'
Capacity	2.5 MGD
Classifier	Yes
Membrane Bioreactors	
Number of Trains	2
Anoxic Basin Max. Water Height (feet)	13'-6"
Anoxic Basin Min. Water Height (feet)	8'
Anoxic Tank Working Volume	25,750 Gallons
Aerobic Tank Working Volume	22,721 Gallons
MBR Tank Working Volume	29,537 Gallons
Total Volume, per Train	78,007 Gallons
Membrane Sheets per Cassette	400
Membrane Area per Sheet	0.8 m2
Total Membrane Area per Train	17,216 ft2
Permeate Pump	Gorman Rupp
Permeate Pump Quantity	3
Permeate Pump Horsepower	7.5
Capacity per Permeate Pump	400 GPM @ 30' TDH
RAS Pump	Gorman Rupp

RAS Pump Quantity	4
RAS Pump Horsepower	15
Capacity per RAS Pump	750 GPM @25' TDH
Aeration System	
Aeration Blower Quantity	3
Total Blower Capacity	1,000 SCFM @ 7 psi
Blower Horsepower	40
Membrane Blower Quantity	2
Total Blower Capacity	1,400 SCFM @ 7 psi
Blower Horsepower	100
Aeration Diffuser Capacity per Train	575 CFM
Disinfection	
Ultraviolet (UV) Disinfection	WEDECO LBX 120
UV Units	2
Number of Lamps	14 per Unit
Installed Load	4.1 kW
Sludge Disposal	
Number of Sludge Storage Tanks	2
Sludge Storage Capacity per Tank	6,000 Gallons
Sludge Tank Pumps	Borger
Sludge Tank Pump Quantity	2
Screw Press	Huber Q-Press 440.2
Screw Press Quantity	2
Polymer Feed System	TBD
Effluent Disposal	
Discharge	Rapid Infiltration Basins
Basin Quantity	5
Effluent Pumps	Flowserve 10 EHM-3
Pump Quantity	2
Pump Capacity	700 GPM @ 110' TDH
Pump Horsepower	25

Reliability and redundancy within the CVWRF process design are achieved through the implementation of multiple treatment trains, each capable of processing design flow with the largest single component out of service, consistent with an N+1 redundancy approach. As summarized in Table 4, select process equipment currently provides this level of redundancy. The membrane bioreactor (MBR) system was specifically evaluated with the membrane cassette identified as the largest serviceable component. Two operational scenarios were considered: one with all cassettes in service, and another with one cassette offline to simulate N+1 conditions. Membrane performance was assessed using a flux rate metric expressed in Gallons per Square Foot per Day (GFD). Table 4 outlines the required hydraulic capacities of each treatment process under varying flow conditions to ensure continued compliance with the effluent limits defined in Table 2. Components highlighted in red indicate insufficient capacity to meet projected demands, while those shown in orange represent equipment that, although downstream of the Phase I equalization system, lack full redundancy and must remain fully operational during Peak Day Flow events.

Table 4 - Existing Hydraulic Capacities

Equipment (qty.)	Units	Required Capacity at 0.5 MGD AAF	Required Capacity at 1.0 MGD AAF	CVWRF Available Hydraulic Capacity
INFLUENT PUMPS				
Influent Pumps (N+1)	MGD	0.9	1.8	1.0 MGD
AERATED STORAGE AND PUMPS				
Coarse Screen (1)	MGD	0.9	1.8	1.0 MGD
Aerated Storage Volume (No Redundancy) ¹	MG	0.1	0.2	0.21 MGD
Storage Pumps (N+1)	MGD	0.6	1.2	1.0 MGD
HEADWORKS				
Rotating Drum Screen (N+1)	MGD	0.6	1.2	1.0 MGD
Grit Removal and Classifier (1) ²	MGD	0.6	1.2	2.5 MGD
SECONDARY PROCESS				
Operating Volume (min. 4-6 hr. HRT)	Gal	125,000	250,000	156,000 Gal
MBR Flux Rate at ADF (No Redundancy)	GFD	14.5	29	15 GFD
MBR Flux Rate at PDF (No Redundancy)	GFD	17.4	34.8	30 GFD
MBR Flux Rate at ADF (N+1)	GFD	16.1	32.2	15 GFD
MBR Flux Rate at PDF (N+1)	GFD	19.32	38.64	30 GFD
DISINFECTION				
In-Line UV Reactors (N+1)	MGD	0.6	1.2	1.0 MGD
EFFLUENT DISCHARGE				
Effluent Pumps (N+1)	MGD	0.6	1.2	1.0 MGD
SLUDGE STORAGE³				
Sludge Storage (No Redundancy)	Gal	12,000	24,000	12,000 Gal

¹The aerated equalization is sized assuming that Peak Day Flow is 1.2 times greater than ADF.

²The facility can bypass the grit removal unit for a brief period of time with limited impact to the membranes. Therefore, redundancy is considered preferential but not required.

³Equipment pertaining to sludge storage and dewatering has differing hydraulic requirements based on operating methods.

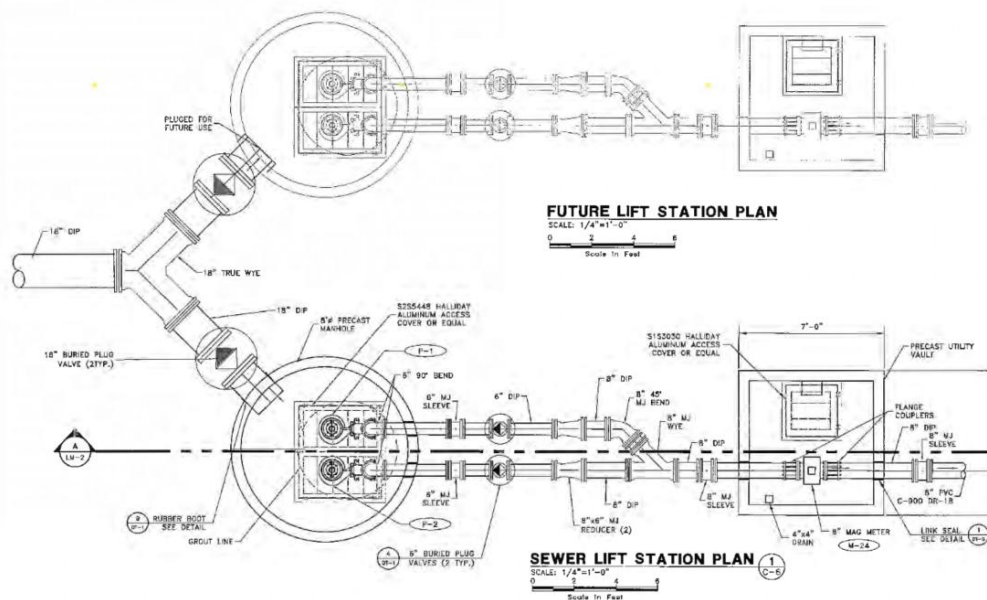
1.3.2 CVWRF Phase III Expansion to 1.0 MGD Critical Improvement

The facility was constructed and laid out in such a way that the secondary process can be mirrored while the existing process remains in operation. The process components that are shown in red within Table 4, above, require upsizing in order to meet 1.0 MGD Average Daily Flow, 1.2 MGD Peak Day Flow and 1.8 MGD Peak Hour Flow. Components that require upsizing to meet 1.0 MGD ADF are as follows:

- **Influent Lift Station** - Influent lift station pumps should be sized to convey Peak Hour Flow with N+1 redundancy. The pumps at the influent lift station must be capable of pumping 1.8 MGD with redundancy; to reach this, a minimum of one (1) 700 gpm pump must be installed. According to the existing CVWRF as-builts, there is not space within the existing sewer lift station for a third pump; however, space has been allotted to install an additional wet well where the redundant pump(s) could be placed. Expanding the capacity of the off-site lift station to 1.8 MGD would require the installation of a new wet well, a 700 gpm submersible pump, conveyance lines, a flow meter, an additional control panel and upsizing of the lift station generator.

During Peak Hour Flow condition, the existing 8" force main would have an estimated flow velocity of roughly 8.0 feet per second (fps) while conveying 1250 gpm to the facility. The flow velocity in a force main should be between 3-6 fps with speed no higher than 10 fps to prevent sediment deposition during low flow and prevent pipe scour during high flows. The 8-fps flow during 1.8 MGD PHF is just within the acceptable velocity range, but approaching the maximum allowable conveyance velocity of a sewer force main. It should be noted that a full head loss analysis should be done to confirm that the new operating points are within the existing pumps' performance capabilities.

Figure 3 - Existing and Future Off-Site Lift Station



- MBR Treatment System** – The MBR system of the CVWRF shall be sized to treat Maximum Daily Flow to the facility (1.2 MGD). As shown in Table 4, components within the existing MBR system are not capable of handling a flowrate of 1.2 MGD. To expand the capacity of the CVWRF to 1.0 MGD ADF, the existing MBR system (inclusive of pre-air and anoxic basins), at a minimum, must be doubled; and even then, the N+1 flux during ADF would be above the recommended flux rate of 15 GFD.

Based on the existing operation of the CVWRF and information provided by the MBR manufacturer, Kubota, the MBR system should have little issue handling a continuous flux of 16.5 GFD during the ADF. In May of 2023, Kubota provided a cost estimate to duplicate the existing system and replacing all of the existing membranes with EK400 models. This estimate serves as a reference for the MBR expansion cost. Kubota recommended increasing the volume of pre-air and anoxic basins by 2-3 times the current capacities based on influent loading conditions. For this evaluation, it is assumed that duplicating the existing basin dimensions will suffice, provided flow equalization is maintained ahead of the membrane process. Design parameters for all flow and loading conditions should be developed before any expansion planning.

1.3.3 CVWRF Expansion to 1.0 MGD Cost Estimate

The costs associated with the minimum required improvements are included within Table 5 below.

Table 5 - Cost Estimate of Required Improvements

Description	Cost
Off-Site Lift Station Improvements	\$ 750,000
New MBR Basins	\$ 6,000,000
Subtotal	\$ 6,750,000
General Conditions (10%)	\$ 675,000
OVHD & Profit (15%)	\$ 1,012,500
Contingency (20%)	\$ 1,350,000
Total Construction Cost	\$ 9,787,500
Non-Construction Costs (18%)	\$ 1,761,750
Total Capital Costs	\$ 11,549,250

1.3.4 CVWRF Expansion to 1.0 MGD Recommended Improvements

The Arizona Department of Environmental Quality (ADEQ) establishes reliability and redundancy requirements for wastewater treatment facilities in Engineering Bulletin No. 11: Minimum Requirements for Design, Submission of Plans and Specifications of Sewage Works. This guidance mandates that essential treatment components be provided in a minimum configuration of N+1—meaning that with one unit out of service, the remaining units must still meet the design capacity of the facility.

When modifying an existing wastewater treatment plant, an engineering analysis should be conducted to evaluate which process units and equipment require redundancy to maintain operational reliability. Table 4 highlights, in orange, those components currently designed to meet the anticipated Average Daily Flow (ADF) of 1.0 MGD with N+1 redundancy. While the use of upstream flow equalization should prevent flows from exceeding the ADF, it is strongly recommended that all key process units be capable of handling the Peak Daily Flow (PDF) with N+1 redundancy to ensure long-term operational resilience.

Component-Specific Recommendations:

- The proposed coarse screen is located upstream of equalization and is currently rated for a maximum capacity of 1.0 MGD. Any flow in excess of this would bypass the screen and flow directly into the aerated storage tanks and associated pump station. Although the bypass scenario does not present an immediate risk to the downstream MBR process—as long as influent does not bypass the existing 3.0 mm drum screens—it is recommended that this screen be sized for Peak Hour Flow (PHF) to ensure full screening under all conditions.
- The proposed EQ pump station configuration provides 1.0 MGD capacity with N+1 redundancy, with space allocated for a third pump. If the Town of Chino Valley proceeds with increasing the facility's ADF to 1.0 MGD, it is recommended that a third pump matching the capacity of the existing units be installed to maintain N+1 redundancy.
- The existing 3mm drum screens are not currently capable of treating the facility's projected PDF of 1.2 MGD with N+1 redundancy. To achieve this, either a third headworks train should be added, or both existing drum screens should be replaced with higher-capacity units.
- The current UV system consists of two units, each rated at 1.0 MGD. To meet the recommended PDF of 1.2 MGD with N+1 redundancy, a third train should be installed or the existing units should be replaced with higher-capacity systems.
- The effluent pump station is designed with space for four vertical turbine pumps, with two currently installed. To meet the PDF of 1.2 MGD with N+1 redundancy, a third pump—equal in capacity to the existing 1.0 MGD units—should be added.
- Depending on operational strategy, the current dewatering equipment may suffice if daily run times are extended beyond 8 hours. However, to improve operational flexibility and provide process redundancy, it is recommended to include a minimum of 24 hours (approximately 12,000 gallons) of sludge storage capacity. Installation of a third

dewatering press, or replacement with 2 higher-capacity units, would enhance redundancy and reduce the required daily runtime.

The estimated capital costs associated with the above recommendations are summarized in Table 6, below.

Table 6 - Cost Estimate of Recommended Improvements

Description	Cost
Redundant Coarse Screen	\$ 250,000
Redundant Aerated Storage Pump	\$ 100,000
Redundant Headworks Drum Screen	\$ 500,000
Redundant UV Disinfection Train	\$ 150,000
Redundant Effluent Pump	\$ 100,000
Sludge Storage Tanks	\$ 350,000
Redundant Dewatering Unit	\$ 450,000
Subtotal	\$ 1,900,000
General Conditions (10%)	\$ 190,000
OVHD & Profit (15%)	\$ 285,000
Contingency (20%)	\$ 380,000
Total Construction Cost	\$ 2,755,000
Non-Construction Costs (18%)	\$ 495,900
Total Capital Costs	\$ 3,250,900

1.4 Summary

Based on current flow trends, the Chino Valley Water Reclamation Facility (CVWRF) is projected to reach 80% of its design capacity by 2034 if flows continue to increase at the long-term average growth rate of 8,700 gallons per day per year. This threshold will trigger state-mandated planning for expansion. To accommodate the projected demands and meet regulatory requirements for reliability and redundancy, the facility will require upgrades to key process components including the influent lift station, membrane bioreactor system. The present value of the required improvements is estimated to be \$11.5 million. Additional recommend improvements include EQ pumping, UV disinfection, headworks, and effluent pumping and bring the total project cost an estimated \$14.8 million.



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 2a
MEETING DATE: 05/13/2025
CONTACT PERSON: Tom Armstrong, Town Council
ITEM TYPE: Proclamation

AGENDA ITEM TITLE:

Presentation of Proclamation declaring May 2025 as Frontline Workers Appreciation Month.

ATTACHMENTS:

1.	Frontline Workers Appreciation Month 2025
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PROCLAMATION

Frontline Worker Appreciation Month - May 2025

Whereas, frontline workers are the builders of our community, exercising curiosity, compassion, courage, and creativity to provide essential services that ensure the health, safety, and education of our residents; and

Whereas, over 9 million healthcare workers across the United States serve in hospitals, clinics, and long-term care facilities, often placing themselves at risk to provide lifesaving care; and

Whereas, firefighters respond to an estimated 36 million emergency calls each year, over 800,000 sworn law enforcement officers nationwide work tirelessly to uphold the law and ensure public safety, and emergency medical services (EMS) personnel respond to more than 240 million calls annually; and

Whereas, teachers dedicate their careers to shaping the future of our communities, with other 3.7 million educators in the U.S. providing knowledge and guidance to our youth; and

Whereas, frontline workers embody the essence of Builders – flexible thinkers and constructive problem solvers who respect the dignity of all people – by dedicating themselves to overcoming challenges and uniting communities.

Now, Therefore, I, Tom Armstrong, Mayor of the Town of Chino Valley, do hereby proclaim May 2025 as **Frontline Worker Appreciation Month** in the Town of Chino Valley and encourage all residents to join in recognizing and honoring the heroic contributions of our healthcare workers, firefighters, law enforcement officers, EMS personnel, and teachers.

In Witness Whereof, I have hereunto set my hand and caused the Seal of the Town of Chino Valley to be affixed this **13th** day of **May 2025**.



Tom Armstrong, Mayor

ATTEST:

Erin N. Deskins, Town Clerk



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5a
MEETING DATE: 5/13/2025
CONTACT PERSON: Marrilee Easton, Civilian Officer Supervisor
ITEM TYPE: Consent Item

AGENDA ITEM TITLE:

Consideration and possible action to approve the Professional Services Agreements with Tri City Towing and Custom Recovery for towing services.

SUMMARY:

Staff is recommending Council approval of a new Professional Services Agreement with two qualified towing companies to ensure continued support for law enforcement and public safety operations. Towing services are essential for responding to vehicle collisions, removing disabled or abandoned vehicles, and impounding vehicles related to police investigations. These services help maintain traffic flow, public safety, and compliance with local and state regulations. Since relocating to the new police facility, vehicles impounded under authority (A.R.S. § 28-3511) are now housed at the contracted tow company's storage yards, streamlining operations and reducing the burden on police facilities. Key updates in the new agreement include:

- **Fee Adjustment:** Towing and storage fees have been increased by 10%. This is the first adjustment since 2022 and reflects increased operational costs.
- **Storage Location Update:** All impounded vehicles are now stored at the tow companies' facilities rather than at the Police Department, improving efficiency and space management and reducing town liability.

Formalizing these agreements ensures timely, reliable service from vetted providers and supports the Town's commitment to effective public safety and traffic management.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Approve the professional services agreements with Tri City Towing and Custom Recovery for towing services.

FISCAL IMPACT?

N/A

ATTACHMENTS:

1.	PSA - Towing Services - Custom Recovery2025
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2.	PSA - Towing Services - Tri-City Towing2025
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**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
CUSTOM RECOVERY, LLC**

THIS PROFESSIONAL SERVICES AGREEMENT (this “Agreement”) is entered into as of _____, 2025, between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and Custom Recovery, LLC, an Arizona limited liability company dba Custom Towing (the “Contractor”).

RECITALS

- A. The Town needs towing, storage, and motorist assist services (the “Services”).
- B. The Contractor possesses the necessary skills and experience to provide the Services.
- C. The Mayor and Town Council have determined it is in the Town’s best interest to enter into an agreement with the Contractor to provide the Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. **Term of Agreement.**

1.1 **Initial Term.** This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until _____, 2026 (the “Initial Term”), unless terminated as otherwise provided in this Agreement.

1.2 **Renewal Terms.** After the expiration of the Initial Term, this Agreement may be renewed for up to three successive one-year terms (each, a “Renewal Term”) if (A) it is deemed in the best interest of the Town, subject to availability and appropriation of funds for renewal in each subsequent year, (B) at least 30 days prior to the end of the then-current term of this Agreement, the Contractor requests, in writing, to extend this Agreement for an additional one-year term, and (C) the Town approves the additional one-year term in writing (including any price adjustments approved as part of this Agreement), as evidenced by the Town Manager’s signature thereon, which approval may be withheld by the Town for any reason. The Contractor’s failure to seek a renewal of this Agreement shall cause this Agreement to terminate at the end of its then-current term; provided, however, that the Town may, at its discretion and with the agreement of the Contractor, elect to waive this requirement and renew this Agreement. The Initial Term and any Renewal Term(s) are collectively referred to herein as the “Term.” Upon renewal, the terms and conditions of this Agreement shall remain in full force and effect.

1.3 Non-Default. By requesting extension for a Renewal Term as set forth above, or by consenting to a Renewal Term in any manner, the Contractor shall be deemed to affirmatively assert that (A) the Town is not currently in default, nor has been in default at any time prior to the Renewal Term, under any of the terms or conditions of the Agreement, and (B) any and all Contractor claims, known and unknown, relating to this Agreement and existing on or before the commencement date of the Renewal Term are forever waived.

2. Scope of Work. This is an indefinite quantity and indefinite delivery agreement for Services as described in the Scope of Work, attached hereto as Exhibit A and incorporated herein by reference. Services shall only be provided when the Town identifies a need and proper authorization and documentation have been approved. The Town does not guarantee any minimum or maximum amount of Services that will be requested under this Agreement.

3. Compensation. The Town shall not be responsible for the payment of any fees or costs the Contractor incurs for its performance of the Services. The Contractor's sole compensation for the Services shall be from fees collected from the owners of the vehicles towed at the rates set forth in the Fee Schedule, attached hereto as Exhibit B and incorporated herein by reference. The Town reserves the right to revise its approved fees at any time, with or without notice to the Contractor. If the Contractor receives any fees from an owner of a towed vehicle that have been billed to or paid by the Chino Valley Police Department ("CVPD"), the Contractor shall immediately remit such amounts to the CVPD.

4. Payments. Intentionally omitted.

5. Safety Plan. The Contractor shall provide the Services in accordance with a safety plan that is compliant with Occupational Safety and Health Administration ("OSHA"), American National Standards Institute, and National Institute for Occupational Safety and Health standards. If, in the Contractor's sole determination, the Services to be provided do not require a safety plan, the Contractor shall notify the Town, in writing, describing the reasons a safety plan is unnecessary. The Town reserves the right to request a safety plan following such notification.

6. Documents. All documents, including any intellectual property rights thereto, prepared and submitted to the Town pursuant to this Agreement shall be the property of the Town. The Town may use such documents for other purposes without further compensation to the Contractor; however, any reuse without written verification or adaptation by the Contractor for the specific purpose intended will be at the Town's sole risk and without liability or legal exposure to the Contractor.

7. Contractor Personnel. The Contractor shall provide experienced personnel, capable of and devoted to the successful performance of the Services under this Agreement. The Contractor agrees to assign specific individuals to key positions. If deemed qualified, the Contractor is encouraged to hire Town residents to fill vacant positions at all levels. The Contractor agrees that, upon commencement of the Services to be performed under this Agreement, key personnel will not be removed or replaced without prior written notice to the Town. If key personnel are not available to perform the Services for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, the Contractor

shall immediately notify the Town of same and shall, subject to the concurrence of the Town, replace such personnel with personnel possessing substantially equal ability and qualifications.

8. Inspection; Acceptance. All work shall be subject to inspection and acceptance by the Town at reasonable times during the Contractor's performance. The Contractor shall provide and maintain a self-inspection system that is acceptable to the Town.

9. Licenses. The Contractor shall maintain in current status all federal, state, and local licenses and permits required for the operation of the business conducted by the Contractor. The Town has no obligation to provide the Contractor, its employees, or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement.

10. Materials; Equipment. The Contractor shall provide, pay for, and insure under the requisite laws and regulations all labor, materials, equipment, tools, transportation, and other facilities and services necessary for the proper execution and completion of the Services.

11. Performance Warranty. In addition to any specific obligations set forth in Exhibit A, the Contractor warrants that the Services rendered will conform to the requirements of this Agreement and shall be carried out with the care and skill ordinarily used by members of the same profession practicing under similar circumstances at the same time and in the same locality.

12. Indemnification. To the fullest extent permitted by law, the Contractor shall indemnify, defend, and hold harmless the Town and each council member, officer, employee, or agent thereof (the Town and any such person being herein called an "Indemnified Party"), for, from, and against any and all losses, claims, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys' fees, court costs, and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims"), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes, or omissions in connection with the work or services of the Contractor, its officers, employees, agents, or any tier of subcontractor in the performance of this Agreement. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

13. Insurance.

13.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of the Contractor, the Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Arizona pursuant to ARIZ. REV. STAT. § 20-206, as amended, with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, or by approving or expressing satisfaction with insurance policies and forms pursuant to the provisions of this Agreement, the Town does not represent that coverage and limits will be adequate to protect the Contractor. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve the Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials, and employees as Additional Named Insured as specified under the respective coverage sections of this Agreement.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed, and formally accepted by the Town unless specified otherwise in this Agreement.

E. Primary Insurance. The Contractor's insurance shall be primary and non-contributory insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Claims Made. If any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three years past completion and acceptance of the Services. Such continuing coverage shall be evidenced by submission of annual Certificates of Insurance and necessary endorsements citing applicable coverage is in force and contains the provisions as required herein for the three-year period.

G. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers, and employees for any claims arising out of the work or services of the Contractor. The Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

H. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the Town. The Contractor shall be solely responsible for any such deductible or self-insured retention amount.

I. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, the Contractor shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the Town and the Contractor. The Contractor shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

J. Evidence of Insurance. Prior to commencing any work or services under this Agreement, the Contractor will provide the Town with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by the Contractor's insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The Town shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage. Still, such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be the Contractor's responsibility to forward renewal certificates and declaration page(s) to the Town 30 days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing this Agreement. A \$25.00 administrative fee shall be assessed for all certificates or declarations received without the appropriate reference to this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing this Agreement will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

(1) The Town, its agents, representatives, officers, directors, officials, and employees are Additional Insureds as follows:

(a) Commercial General Liability – Under Insurance Services Office, Inc., (“ISO”) Form CG 20 10 04 13 or equivalent.

(b) Auto Liability – Under ISO Form CA 20 48 or equivalent.

(c) Excess Liability – Follow Form to underlying insurance.

(2) The Contractor's insurance shall be primary insurance with respect to performance of this Agreement.

(3) All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against the Town,

its agents, representatives, officers, officials, and employees for any claims arising out of work or services performed by the Contractor under this Agreement.

ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) is used, the phrases in the cancellation provision “endeavor to” and “but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives” shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

K. Endorsements. The Contractor shall provide the Town with the necessary endorsements to ensure the Town is provided the insurance coverage set forth in this Section 13.

13.2 Required Insurance Coverage.

A. Commercial General Liability. The Contractor shall maintain “occurrence” form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury, property damage, and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured’s clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, officials, and employees shall be named as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. The Contractor shall maintain Business Automobile Liability insurance with a combined single limit of \$1,000,000, and not less than \$100,000 for property damage, per occurrence, on the Contractor’s owned, hired, and non-owned vehicles assigned to or used in the performance of the Contractor’s work or services under this Agreement. Coverage will be at least as broad as ISO coverage code “1” “any auto” policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials, and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Contractor engages in any professional services or work in any way related to performing the work under this Agreement, the Contractor shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Contractor, or anyone employed by the Contractor, or

anyone for whose negligent acts, mistakes, errors, and omissions the Contractor is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate.

D. Workers' Compensation Insurance. If the Contractor employs anyone who is required by law to be covered by workers' compensation insurance, the Contractor shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over the Contractor's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

E. Garage Keepers Coverage. The Contractor shall maintain Garage Keepers coverage in an amount deemed by the Contractor to be adequate and shall provide the Town with proof of said coverage.

F. On-Hook/Cargo Coverage. The Contractor shall maintain On-Hook/Cargo coverage of not less than \$100,000 per occurrence.

13.3 Cancellation and Expiration Notice. The Contractor shall provide at least 30 days prior written notice to the Town before insurance required herein expires, is canceled, or is materially changed.

14. Termination; Cancellation. The Town may, by written notice to the Contractor as set forth in this Section, terminate this Agreement in whole or in part.

14.1 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause after receipt by the Contractor of written notice by the Town. Upon termination for convenience, the Contractor shall be paid for all undisputed Services performed to the termination date.

14.2 For Cause. If either party fails to perform any obligation pursuant to this Agreement and such party fails to cure its nonperformance within 30 days after notice of nonperformance is given by the non-defaulting party, such party will be in default. In the event of such default, the non-defaulting party may terminate this Agreement immediately for cause and will have all remedies available to it at law or in equity, including, without limitation, the remedy of specific performance. If the nature of the defaulting party's nonperformance is such that it cannot reasonably be cured within 30 days, then the defaulting party will have such additional periods of time as may be reasonably necessary under the circumstances, provided the defaulting party immediately (A) provides written notice to the non-defaulting party and (B) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event shall any such cure period exceed 90 days. In the event of such termination for cause, the Town shall make payment to the Contractor for the undisputed portion of its fee due as of the termination date.

14.3 Due to Work Stoppage. The Town may terminate this Agreement upon 30 days' written notice to the Contractor in the event that the Services are permanently abandoned. If

the Contractor abandons the Services without the consent of the Town, the Contractor shall be liable for all actual, incidental, and consequential damages arising from or related to said abandonment, including, but not limited to (A) the difference between the cost of a replacement contractor to complete the Services and the contract price for the Contractor under this Agreement; and (B) any additional charges, costs, fees or expenses for labor, materials or professional services incurred by the Town as a result of delays caused by abandonment of the Services by the Contractor. The Town shall use its best efforts to replace the Contractor within a reasonable time.

14.4 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of the Town or any of its departments or agencies is, at any time while this Agreement or any extension of this Agreement is in effect, an employee of any other party to this Agreement in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement.

14.5 Gratuities. The Town may, by written notice to the Contractor, cancel this Agreement if it is found by the Town that gratuities, in the form of economic opportunity, future employment, entertainment, gifts, or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer, agent or employee of the Town for the purpose of securing this Agreement. In the event this Agreement is canceled by the Town pursuant to this provision, the Town shall be entitled, in addition to any other rights and remedies, to recover and withhold from the Contractor an amount equal to 150% of the gratuity.

14.6 Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town's then-current fiscal year. The Town's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds to pay its Agreement obligation, this Agreement shall be deemed terminated at the end of then-current fiscal term for which such funds were appropriated and budgeted for such purpose, and the Town shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. This Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep the Contractor informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment under this Agreement is not a general obligation or indebtedness of the Town. The Contractor hereby waives any and all rights to bring a claim against the Town from or related in any way to the Town's termination of this Agreement under this Section.

14.7 Obligations Upon Receipt of Termination Notice. Upon receipt of a notice of termination as set forth above, the Contractor shall (A) immediately discontinue all Services affected (unless the notice directs otherwise), and (B) deliver to the Town copies of all data, reports, calculations, drawings, specifications, and estimates entirely or partially completed, together with all unused materials supplied by the Town, related to the Services including any

completed divisible part of the Services which can be deemed to stand alone (the completed divisible parts of the Services will be determined by both parties at the time of termination). Such termination shall not relieve the Contractor of liability for errors and omissions. Any use of incomplete documents for the Services or for any other project without the specific written authorization by the Contractor will be without liability or legal exposure to the Contractor. The Contractor shall appraise the work it has completed and submit the appraisal to the Town for evaluation.

15. Suspension of Work. Intentionally omitted.

16. Miscellaneous.

16.1 Independent Contractor. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the Town. The Contractor, its employees, and subcontractors are not entitled to workers' compensation benefits from the Town. The Town does not have the authority to supervise or control the actual work of the Contractor, its employees, or subcontractors. The Contractor, and not the Town, shall determine the time of its performance of the services provided under this Agreement so long as the Contractor meets the requirements of its agreed Scope of Work as set forth in Section 2 and in Exhibit A. The Contractor is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. The Town and the Contractor do not intend to nor will they combine business operations under this Agreement.

16.2 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona, and suit pertaining to this Agreement may be brought only in courts in Yavapai County, Arizona.

16.3 Laws and Regulations. The Contractor shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Contractor is responsible abides by, and remains in compliance with, all rules, regulations, ordinances, statutes, or laws affecting the Services, including, but not limited to, (A) existing and future Town and County ordinances and regulations, (B) existing and future State and Federal laws, and (C) existing and future OSHA standards.

16.4 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the Town and the Contractor.

16.5 Provisions Required by Law. Each and every provision of law and any clause required by law to be in this Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, this Agreement will promptly be physically amended to make such insertion or correction.

16.6 Severability. The provisions of this Agreement are severable to the extent that any provision or application held to be invalid by a Court of competent jurisdiction shall not affect any other provision or application of this Agreement that may remain in effect without the invalid provision or application.

16.7 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements, or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting this Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting and reviewing of, and entry into, this Agreement.

16.8 Assignment; Delegation. No right or interest in this Agreement shall be assigned or delegated by the Contractor without prior, written permission of the Town, signed by the Town Manager. Any attempted assignment or delegation by the Contractor in violation of this provision shall be a breach of this Agreement by the Contractor.

16.9 Subcontracts. No subcontract shall be entered into by the Contractor with any other party to furnish any of the material or services specified herein without the prior written approval of the Town. The Contractor is responsible for performance under this Agreement whether or not subcontractors are used. Failure to pay subcontractors in a timely manner pursuant to any subcontract shall be a material breach of this Agreement by the Contractor.

16.10 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of and payment for Services, shall not release the Contractor from any responsibilities or obligations imposed by this Agreement or by law, and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

16.11 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

16.12 Liens. All materials or services shall be free of all liens and, if the Town requests, a formal release of all liens shall be delivered to the Town.

16.13 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Contractor any amounts the Contractor owes to the Town for damages that have been reduced to a judgment resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset from any money due to the Contractor any amounts the Contractor owes to the Town for delinquent fees, transaction privilege use taxes, and property taxes, including any interest or penalties.

16.14 Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, or (C) given to a recognized and reputable overnight delivery service, to the address set forth below, or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection:

If to the Town:	Town of Chino Valley 202 North State Route 89 Chino Valley, Arizona 86323 Attn: Terri Denemy, Town Manager
With copy to:	GUST ROSENFELD P.L.C. One East Washington Street, Suite 1600 Phoenix, Arizona 85004-2553 Attn: Andrew J. McGuire
If to Contractor:	Custom Recovery, LLC 1222 South Highway 89 Chino Valley, AZ 86323 Attn: Thomas E. Cutlip

Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage, or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

16.15 Confidentiality of Records. The Contractor shall establish and maintain procedures and controls that are acceptable to the Town for the purpose of ensuring that information contained in its records or obtained from the Town or from others in carrying out its

obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform the Contractor's duties under this Agreement. Persons requesting such information should be referred to the Town. The Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Contractor as needed for the performance of duties under this Agreement.

16.16 Information Technology. If necessary for the fulfillment of this Agreement, the Town may provide the Contractor with non-exclusive, limited access to the Town's information technology infrastructure. The Contractor understands and agrees to abide by all Town policies, standards, regulations, and restrictions regarding access and usage of the Town's information and communication technology resources. The Contractor shall enforce all such policies, standards, regulations, and restrictions with all the Contractor's employees, agents, or any tier of subcontractor granted access in the performance of this Agreement and shall be granted and authorized only such access as may be necessary for the purpose of fulfilling the requirements of this Agreement.

16.17 Records and Audit Rights. To ensure that the Contractor and its subcontractors are complying with the warranty under subsection 16.18, the Contractor's and its subcontractor's books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any of the Contractor's and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on the Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 16.18. To the extent necessary for the Town to audit Records as set forth in this subsection, the Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to the Contractor pursuant to this Agreement. The Contractor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this subsection. The Town shall give the Contractor or its subcontractors reasonable advance notice of intended audits. The Contractor shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

16.18 E-Verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-Verify requirements under ARIZ. REV. STAT. § 23-214(A). The Contractor's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

16.19 Israel. To the extent applicable under ARIZ. REV. STAT. § 35-393 through § 35-393.03, the parties hereby certify that they are not currently engaged in, and agree to not engage in for the duration of this Agreement, a “boycott” of goods or services from Israel, as that term is defined in ARIZ. REV. STAT. § 35-393.

16.20 Conflicting Terms. In the event of any inconsistency, conflict, or ambiguity among the terms of this Agreement, any amendments, the Scope of Work, any Town-approved Purchase Order, or the Fee Proposal, the documents shall govern in the order listed herein.

16.21 Time is of the Essence. The timely completion of the Services is of critical importance to the economic circumstances of the Town.

16.22 Meaning of Terms. References made in the singular shall include the plural, and the masculine shall include the feminine or the neuter.

16.23 Non-Exclusive Contract. This Agreement is entered into with the understanding and agreement that it is for the sole convenience of the Town. The Town reserves the right to obtain like goods and services from another source when necessary.

16.24 Forced Labor of Ethnic Uyghurs. To the extent applicable under ARIZ. REV. STAT. § 35-394, the Contractor warrants and certifies that it does not currently, and agrees that it will not for the duration of this Agreement use the forced labor, any goods or services produced by the forced labor, or 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 that it is not in compliance with this paragraph, the Contractor shall notify the Town of the noncompliance within five business days of becoming aware of it. If the Contractor fails to provide a written certification that it has remedied the noncompliance within 180 days after that, this Agreement shall terminate unless the termination date of this Agreement occurs before the end of the remedy, in which case this Agreement terminates on its termination date.

16.25 Excluded Terms. Terms and conditions not fully outlined in this Agreement, provided to the Town only by reference to one or more websites, or provided to the Town only as “clickwrap” or “clickthrough” terms when using or attempting to use a site or service, are not binding upon the Town.

16.26 Licensing and Registration. The Contractor warrants that it is registered with the Arizona Corporation Commission to do business in Arizona and, upon request, will provide proof thereof to the Town.

16.27 Counterparts. This Agreement may be executed simultaneously or in counterparts, each of which constitutes an original, but all of which together constitute one and the same agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

“Town”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

Tom Armstrong, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

“Contractor”

CUSTOM RECOVERY, LLC,
an Arizona limited liability company

By: _____

Name: _____

Title: _____

EXHIBIT A
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
CUSTOM RECOVERY, LLC

[Scope of Work]

See following pages.

SCOPE OF WORK

Prior to the Contractor being placed on the rotational tow list, CVPD must inspect and approve all of the Contractor's equipment and facilities that will be used in providing the Services. The Contractor shall notify the CVPD in writing prior to any change or substitution of the equipment or facilities. If prior notice is not possible due to an emergency situation, written notice within 10 days of any change is required. The Town has designated Randy Chapman as the "Town Representative," but the Town may designate a different person to serve in that role upon 24 hours' notice to the Contractor. All communications to the Town regarding this Agreement shall be through the Town Representative.

1. Requests for Services.

- 1.1 The Contractor must be able to respond to requests for Services 24 hours per day, 365 days per year.
- 1.2 The Contractor shall provide the Services when and as requested by the Town.
- 1.3 When called by the CVPD, the Contractor shall dispatch its own truck; the Contractor may not substitute another company to perform the Services.
- 1.4 The Contractor shall tow the requested vehicle regardless of its condition or value.
- 1.5 Response time to the designated site shall not be more than 30 minutes, on average, from the receipt of the request from CVPD. Appropriate staffing shall be in place to accommodate this response time 24 hours each day. Average response time will be determined by adding up all of the Contractor's recent consecutive response times (up to 15) and dividing by the number of responses.
- 1.6 Failure to respond to a request for Services within 30 minutes may result in: (A) suspension of the Contractor from the rotational list; (B) the Contractor being placed at the bottom of the rotational list; or (C) cancellation of this Agreement, at the discretion of Town. Extenuating circumstances for delays, including, but not limited to, bad weather, severe traffic backup due to a crash, or additional accidents, may be taken into consideration by the Town in its decision to take any action as a result of the Contractor's failure to respond within 30 minutes.
- 1.7 Each call to the Contractor shall constitute one turn on the rotational list. After each call, the Contractor shall be placed at the bottom of the rotation. The Contractor shall forfeit its turn and be moved to the bottom of the list if: (A) the Contractor fails to answer its telephone, (B) the Contractor is unable to respond or provide the Services, or (C) the call is canceled due to excessive response time. If the Contractor arrives more than 30 minutes from the time of the call (per Yavapai County Sheriff's Office "YCSO" record keeping), at the officer's discretion the Contractor may be required to forfeit its turn and be replaced by the next tow company on rotation.

2. Equipment.

2.1 The Contractor shall have, at a minimum, the following vehicles available at all times, at least one of which is classified as a medium or heavy-duty wrecker:

- A. One power-operated wrecker.
- B. One rollback wrecker.

2.2 All towing vehicles shall:

- A. Have the Contractor's name painted on both the driver and passenger sides of the vehicle in lettering at least three inches in height and shall display the current Arizona Department of Public Safety inspection seal.
- B. Have proper equipment that complies with A.R.S. § 28-1108 in order to prevent damage to towed vehicles. This equipment includes, but is not limited to: dollies, chains, slings, and bumpers.
- C. Have the necessary equipment to clean accident scenes including, but not limited to, brooms, shovels and sand or an appropriate absorbent material to be used when sand does not adequately absorb spilled liquids/material.
- D. Have a functioning two-way radio system with 24-hour dispatching.
- E. Have the rates posted for all Services.

3. Storage Facilities.

3.1 Storage facilities must be located within the corporate limits of the Town of Chino Valley and meet all zoning requirements.

3.2 Each facility must be on record with the CVPD and either owned or leased for use by the Contractor. Proof of ownership or lessee status must be provided.

3.3 The Contractor shall have a staff member on-site at its storage facility to assist customers during business hours, Monday through Friday from 8:00 a.m. to 5:00 p.m., except for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

3.4 The Contractor shall have a telephone number prominently posted at its storage facility for after-hours release of vehicles. The after-hours telephone number shall be answered and responded to at all times so that vehicles may be released after regular business hours, if necessary. The Contractor shall maintain with CVPD an emergency phone number to facilitate the release of a vehicle.

3.5 Vehicles shall be taken directly to the Contractor's storage facility unless the tow driver is advised otherwise by the CVPD or the vehicle's owner/driver.

- 3.6 The storage facility shall not be located within a wrecking yard that is in the business of dismantling vehicles.
- 3.7 The Contractor shall provide a fenced storage area with a secure fence at least six feet in height plus outwardly slanted three-strand (or greater) barbed or razor wire that complies with the requirements of the Chino Valley Town Code and Unified Development Ordinance.
- 3.8 The storage area shall be lit with at least a 7.4 lumen light output level of electrical light for each square foot of storage area.
- 3.9 The storage facility shall have a controlled access point and be locked when unattended. The Contractor shall be responsible for the safekeeping of vehicles stored and for the items and personal property in the stored vehicles. Vehicles cannot be stored at any location other than those on record with the CVPD.
- 3.10 Vehicles shall not be removed from the initial storage yard for a period of 10 calendar days unless requested by the owner or authorized agent. If, after a period of 10 calendar days, instructions have not been received from an owner or authorized agency, the Contractor may remove the vehicle to an alternate storage lot outside the Town boundaries that meets the security requirements listed in this Section. Removal to an alternate lot may not result in any additional charge to the vehicle owner.
- 3.11 A person whose vehicle is stored or impounded for reasons other than evidentiary purposes shall have the right to remove any personal property, perishables, or valuables prior to the release or payment of impound fees (excluding items attached to the vehicle, e.g., stereo equipment, etc.). All storage fees shall be assessed against the vehicle or owner and not against personal property.
- 3.12 Upon reasonable notice, the Contractor shall permit inspection of the storage facilities by any member of the CVPD during business hours.

4. Personnel.

- 4.1 The Contractor shall have sufficient qualified personnel available for the operation of its vehicles at all times.
- 4.2 All drivers must have a current State of Arizona driver's license, with proper class, endorsements and medical qualifications.
- 4.3 The Contractor's personnel (and owners) may not solicit or suggest a repair facility to the owner/driver of a damaged vehicle.
- 4.4 All drivers shall operate the vehicle used for towing in a safe and prudent manner and obey all laws and ordinances at all times.
- 4.5 Drivers shall wear safety vests any time they are in a roadway, including while hooking up vehicles to be towed and when cleaning debris from the scene.

- 4.6 The Contractor shall be fully responsible for its drivers' actions.
- 4.7 While performing Services under this Agreement, the Contractor's personnel shall refrain from acts of misconduct including, but not limited to, the following:
- A. Rude or discourteous behavior, including profane and vulgar language.
 - B. Any act of sexual harassment or sexual impropriety.
 - C. Indication of alcohol and/or drug use or appearing at the scene with an alcohol odor emitting from the employee's breath. In such case, the employee shall submit to a preliminary alcohol screening test upon demand of the Town Representative.
 - D. Lack of service, selective service, or refusal to provide service which the employee(s) is capable of performing.
5. Information to be Provided by the Contractor to Person Responsible for the Towed Vehicle.
- 5.1 The Contractor's business card, which shall contain the following information:
- A. The Contractor's name, address, and telephone number.
 - B. Hours of operation.
 - C. Telephone number for after-hours release of vehicles.
- 5.2 A brochure listing the rates, terms of this Agreement, and clear instructions for retrieval of the vehicle.
6. Storage/Release of Vehicles.
- 6.1 When instructed by a CVPD officer to tow a vehicle pursuant to A.R.S. § 28-3511, the Contractor shall deliver the vehicle to its approved storage facility (see Paragraph 10 for additional requirements related to vehicles towed pursuant to A.R.S. § 28-3511).
- 6.2 It is the Contractor's sole responsibility to determine that the vehicle is being released to the actual owner/authorized agent and shall not release a vehicle until the owner or authorized agent has provided the Contractor with a copy of the owner or authorized agent's valid driver's license, proof of insurance, and current registration for the vehicle.
7. Site Cleanup. The Contractor is responsible for cleaning up all debris at the scene of an accident, including all vehicle parts, broken glass, dirt, sand or any other matter left in the roadway as a result of an accident. The Contractor is responsible for retention of and/or appropriate disposal of accident debris. **Failure to thoroughly clean up a roadway may result in the driver or company being issued a citation pursuant to A.R.S. § 28-898(C) or charged with a class 3 misdemeanor pursuant to A.R.S. § 28-7056(A) and possible removal of the Contractor from the rotational tow list.**

8. Cancellation of Services Request. After the Contractor has received a request for Services, CVPD may cancel the request at any time. If the cancellation is made prior to any portion of the Contractor's equipment being physically attached to the vehicle to be towed, the Contractor shall not charge for the Service. If cancellation is made subsequent to any portion of the tow vehicle's equipment being physically attached to the vehicle to be towed, the Contractor may charge for the Service even if the vehicle is not towed.
9. Records; Reports.
 - 9.1 The Contractor shall maintain a record for one year on each vehicle towed at CVPD's request. The record shall contain, at minimum, the following information:
 - A. Make, model, and year of the vehicle.
 - B. License plate number and state of issue.
 - C. Vehicle identification number.
 - D. Date and time the vehicle was picked up.
 - E. Location where the vehicle was picked up.
 - F. Location where the vehicle was taken (and other storage location(s) as applicable).
 - G. Date and time the vehicle was released.
 - H. Name and address of the individual to whom the vehicle was released.
 - 9.2 If the vehicle is sold at auction, the Contractor shall document, in writing, the date of auction and the name and address of the person purchasing the vehicle at auction.
 - 9.3 The Contractor shall maintain records of itemized tow and storage billing statements.
 - 9.4 Within 10 days after releasing a vehicle, the Contractor shall notify YCSO Dispatch via facsimile at **928-771-3260**.
 - 9.5 Upon reasonable notice, the Contractor shall permit inspection of the records (and vehicles) required by this Agreement during business hours as well as an audit of the records at its place of business.
 - 9.6 The Contractor shall submit all reports required by A.R.S. §§ 28-4801 through 28-4884 to the Arizona Department of Transportation.
10. Vehicles Towed Pursuant to A.R.S. § 28-3511. The following requirements apply only to vehicles towed pursuant to a request from a peace officer to remove and either immobilize or impound a vehicle pursuant to A.R.S. § 28-3511.
 - 10.1 The Contractor shall tow, not drive, the vehicle to the Contractor's approved storage facility, where it shall remain until authorization for release is obtained from CVPD.

- 10.2 The Contractor shall store the vehicle in accordance with A.R.S. § 28-3511 and shall only charge the fees outlined in this Agreement.
- 10.3 If the owner contacts the Contractor requesting release of the vehicle, the Contractor shall advise the vehicle owner of the requirement for a hearing. If a hearing is held, the Town will collect its hearing fee and notify the Contractor that the vehicle is available for release. It is the responsibility of the Contractor to collect its fees authorized under this Agreement.
- 10.4 Failure to notify the vehicle owner of the required hearing prior to the release of the vehicle will result in the removal of the Contractor from the rotational list for 30 calendar days. A second and subsequent violation of this will result in removal from the rotational list for at least one calendar year.
- 10.5 If the Contractor obtains possession of any vehicle towed pursuant to A.R.S. § 28-3511 (either through receipt of abandoned vehicle title or by virtue of the owner transferring title to the Contractor), the Contractor shall provide CVPD with the following information prior to disposing of the vehicle. Upon receipt of such information, CVPD shall prepare a letter authorizing the Contractor to take possession of the vehicle and dispose of it in compliance with A.R.S. § 28-3515:
- A. A complete description of the vehicle.
 - B. VIN number.
 - C. Department Report Number.
 - D. A clear copy of the title (front and back).

EXHIBIT B
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
CUSTOM RECOVERY, LLC

[Fee Schedule]

See following page.

FEE SCHEDULE

(Subject to Change)

TYPE OF SERVICE	TASKS INCLUDED	FEE
Level 1 Service	Unlock Fuel delivery (customer pays for fuel) Tire change (up to 3/4 ton) Jump starts	\$77.00
Level 2 Tow*	Basic tow: Vehicle has keys. Wheels and tires are operable. Vehicle is under 9,000 lb. GVW.	\$160.00
Level 3 Tow*	Accident tow: No keys. Wheels and tires are inoperable. Winching is under 50 feet from tow truck access. Vehicle is under 9,000 lb. GVW.	\$260.00
Level 4 Tow	Vehicle is towed pursuant to A.R.S. § 28-3511. Vehicle is towed as requested by CVPD.	\$220.00
Large Vehicle Tows	9,001 – 16,000 lb. GVW. 16,001 – 26,000 lb. GVW. 26,001 – 80,000 lb. GVW.	\$160.00/hour port to port \$200.00/hour port to port \$245.00/hour port to port
Off-Road Recovery Rate/Standby Rate***	After first 1/2 hour on scene or vehicle is greater than 50 feet from tow truck access; Vehicle is under 9,000 GVW.	\$160.00
Recovery, Large Vehicles	9,001 – 16,000 lb. GVW. 16,001 – 80,000 lb. GVW.	\$220.00/hour \$330.00/hour
Daily Storage	Regular tow after first full 24-hour period.	\$40.00
Daily Storage	Vehicles impounded pursuant to A.R.S. § 28-3511.	\$25.00
After Hours Gate Fee**		\$70.00
Cost Per Loaded Mile		\$5.00
Filing Fee		Not to exceed \$150.00
Fuel Surcharge	Rate will be recalculated based on EIA rates if diesel prices rise to \$4.50 per gallon or higher.	15% of total service bill

* Level 2 and 3 tows include towing the vehicle inside the boundaries of the Town of Chino Valley. When the vehicle owner or agent requests the vehicle be towed to a location outside the Town limits, “Cost per loaded mile” may be charged from the Town limits to the requested destination.

** After Hours Gate Fee will be charged only when the owner or agent of a vehicle requests entrance to the impound facility after normal business hours. It will not be charged when a tow is performed outside normal business hours.

*** Off-Road Recovery Fee will be charged only when a vehicle needs to be recovered more than 50 feet from tow truck access and will be charged at the rate commensurate with the vehicle’s registered gross vehicle weight (GVW).

No other miscellaneous charges are allowed. These services shall be considered part of the towing fee and include, but are not limited to, items such as a Snatch Blocks, Skates, no-key service, and driveshaft removal.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
TRI-CITY TOWING, INC.**

THIS PROFESSIONAL SERVICES AGREEMENT (this “Agreement”) is entered into as of _____, 2025, between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and Tri-City Towing Inc., an Arizona corporation (the “Contractor”).

RECITALS

- A. The Town needs towing, storage, and motorist assist services (the “Services”).
- B. The Contractor possesses the necessary skills and experience to provide the Services.
- C. The Mayor and Town Council have determined it is in the Town’s best interest to enter into an agreement with the Contractor to provide the Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. **Term of Agreement.**

1.1 **Initial Term.** This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until _____, 2026 (the “Initial Term”), unless terminated as otherwise provided in this Agreement.

1.2 **Renewal Terms.** After the expiration of the Initial Term, this Agreement may be renewed for up to three successive one-year terms (each, a “Renewal Term”) if (A) it is deemed in the best interest of the Town, subject to availability and appropriation of funds for renewal in each subsequent year, (B) at least 30 days prior to the end of the then-current term of this Agreement, the Contractor requests, in writing, to extend this Agreement for an additional one-year term, and (C) the Town approves the additional one-year term in writing (including any price adjustments approved as part of this Agreement), as evidenced by the Town Manager’s signature thereon, which approval may be withheld by the Town for any reason. The Contractor’s failure to seek a renewal of this Agreement shall cause this Agreement to terminate at the end of its then-current term; provided, however, that the Town may, at its discretion and with the agreement of the Contractor, elect to waive this requirement and renew this Agreement. The Initial Term and any Renewal Term(s) are collectively referred to herein as the “Term.” Upon renewal, the terms and conditions of this Agreement shall remain in full force and effect.

1.3 Non-Default. By requesting extension for a Renewal Term as set forth above, or by consenting to a Renewal Term in any manner, the Contractor shall be deemed to affirmatively assert that (A) the Town is not currently in default, nor has been in default at any time prior to the Renewal Term, under any of the terms or conditions of the Agreement, and (B) any and all Contractor claims, known and unknown, relating to this Agreement and existing on or before the commencement date of the Renewal Term are forever waived.

2. Scope of Work. This is an indefinite quantity and indefinite delivery agreement for Services as described in the Scope of Work, attached hereto as Exhibit A and incorporated herein by reference. Services shall only be provided when the Town identifies a need and proper authorization and documentation have been approved. The Town does not guarantee any minimum or maximum amount of Services that will be requested under this Agreement.

3. Compensation. The Town shall not be responsible for the payment of any fees or costs the Contractor incurs for its performance of the Services. The Contractor's sole compensation for the Services shall be from fees collected from the owners of the vehicles towed at the rates set forth in the Fee Schedule, attached hereto as Exhibit B and incorporated herein by reference. The Town reserves the right to revise its approved fees at any time, with or without notice to the Contractor. If the Contractor receives any fees from an owner of a towed vehicle that have been billed to or paid by the Chino Valley Police Department ("CVPD"), the Contractor shall immediately remit such amounts to the CVPD.

4. Payments. Intentionally omitted.

5. Safety Plan. The Contractor shall provide the Services in accordance with a safety plan that is compliant with Occupational Safety and Health Administration ("OSHA"), American National Standards Institute, and National Institute for Occupational Safety and Health standards. If, in the Contractor's sole determination, the Services to be provided do not require a safety plan, the Contractor shall notify the Town, in writing, describing the reasons a safety plan is unnecessary. The Town reserves the right to request a safety plan following such notification.

6. Documents. All documents, including any intellectual property rights thereto, prepared and submitted to the Town pursuant to this Agreement shall be the property of the Town. The Town may use such documents for other purposes without further compensation to the Contractor; however, any reuse without written verification or adaptation by the Contractor for the specific purpose intended will be at the Town's sole risk and without liability or legal exposure to the Contractor.

7. Contractor Personnel. The Contractor shall provide experienced personnel, capable of and devoted to the successful performance of the Services under this Agreement. The Contractor agrees to assign specific individuals to key positions. If deemed qualified, the Contractor is encouraged to hire Town residents to fill vacant positions at all levels. The Contractor agrees that, upon commencement of the Services to be performed under this Agreement, key personnel will not be removed or replaced without prior written notice to the Town. If key personnel are not available to perform the Services for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, the Contractor

shall immediately notify the Town of same and shall, subject to the concurrence of the Town, replace such personnel with personnel possessing substantially equal ability and qualifications.

8. Inspection; Acceptance. All work shall be subject to inspection and acceptance by the Town at reasonable times during the Contractor's performance. The Contractor shall provide and maintain a self-inspection system that is acceptable to the Town.

9. Licenses. The Contractor shall maintain in current status all federal, state, and local licenses and permits required for the operation of the business conducted by the Contractor. The Town has no obligation to provide the Contractor, its employees, or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement.

10. Materials; Equipment. The Contractor shall provide, pay for, and insure under the requisite laws and regulations all labor, materials, equipment, tools, transportation, and other facilities and services necessary for the proper execution and completion of the Services.

11. Performance Warranty. In addition to any specific obligations set forth in Exhibit A, the Contractor warrants that the Services rendered will conform to the requirements of this Agreement and shall be carried out with the care and skill ordinarily used by members of the same profession practicing under similar circumstances at the same time and in the same locality.

12. Indemnification. To the fullest extent permitted by law, the Contractor shall indemnify, defend, and hold harmless the Town and each council member, officer, employee, or agent thereof (the Town and any such person being herein called an "Indemnified Party"), for, from, and against any and all losses, claims, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys' fees, court costs, and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims"), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes, or omissions in connection with the work or services of the Contractor, its officers, employees, agents, or any tier of subcontractor in the performance of this Agreement. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

13. Insurance.

13.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of the Contractor, the Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Arizona pursuant to ARIZ. REV. STAT. § 20-206, as amended, with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, or by approving or expressing satisfaction with insurance policies and forms pursuant to the provisions of this Agreement, the Town does not represent that coverage and limits will be adequate to protect the Contractor. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve the Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials, and employees as Additional Named Insured as specified under the respective coverage sections of this Agreement.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed, and formally accepted by the Town unless specified otherwise in this Agreement.

E. Primary Insurance. The Contractor's insurance shall be primary and non-contributory insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Claims Made. If any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three years past completion and acceptance of the Services. Such continuing coverage shall be evidenced by submission of annual Certificates of Insurance and necessary endorsements citing applicable coverage is in force and contains the provisions as required herein for the three-year period.

G. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers, and employees for any claims arising out of the work or services of the Contractor. The Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

H. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the Town. The Contractor shall be solely responsible for any such deductible or self-insured retention amount.

I. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, the Contractor shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the Town and the Contractor. The Contractor shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

J. Evidence of Insurance. Prior to commencing any work or services under this Agreement, the Contractor will provide the Town with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by the Contractor's insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The Town shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage. Still, such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be the Contractor's responsibility to forward renewal certificates and declaration page(s) to the Town 30 days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing this Agreement. A \$25.00 administrative fee shall be assessed for all certificates or declarations received without the appropriate reference to this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing this Agreement will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

(1) The Town, its agents, representatives, officers, directors, officials, and employees are Additional Insureds as follows:

(a) Commercial General Liability – Under Insurance Services Office, Inc., (“ISO”) Form CG 20 10 04 13 or equivalent.

(b) Auto Liability – Under ISO Form CA 20 48 or equivalent.

(c) Excess Liability – Follow Form to underlying insurance.

(2) The Contractor's insurance shall be primary insurance with respect to performance of this Agreement.

(3) All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against the Town,

its agents, representatives, officers, officials, and employees for any claims arising out of work or services performed by the Contractor under this Agreement.

ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) is used, the phrases in the cancellation provision “endeavor to” and “but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives” shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

K. Endorsements. The Contractor shall provide the Town with the necessary endorsements to ensure the Town is provided the insurance coverage set forth in this Section 13.

13.2 Required Insurance Coverage.

A. Commercial General Liability. The Contractor shall maintain “occurrence” form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury, property damage, and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured’s clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, officials, and employees shall be named as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. The Contractor shall maintain Business Automobile Liability insurance with a combined single limit of \$1,000,000, and not less than \$100,000 for property damage, per occurrence, on the Contractor’s owned, hired, and non-owned vehicles assigned to or used in the performance of the Contractor’s work or services under this Agreement. Coverage will be at least as broad as ISO coverage code “1” “any auto” policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials, and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Contractor engages in any professional services or work in any way related to performing the work under this Agreement, the Contractor shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Contractor, or anyone employed by the Contractor, or

anyone for whose negligent acts, mistakes, errors, and omissions the Contractor is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate.

D. Workers' Compensation Insurance. If the Contractor employs anyone who is required by law to be covered by workers' compensation insurance, the Contractor shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over the Contractor's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

E. Garage Keepers Coverage. The Contractor shall maintain Garage Keepers coverage in an amount deemed by the Contractor to be adequate and shall provide the Town with proof of said coverage.

F. On-Hook/Cargo Coverage. The Contractor shall maintain On-Hook/Cargo coverage of not less than \$100,000 per occurrence.

13.3 Cancellation and Expiration Notice. The Contractor shall provide at least 30 days prior written notice to the Town before insurance required herein expires, is canceled, or is materially changed.

14. Termination; Cancellation. The Town may, by written notice to the Contractor as set forth in this Section, terminate this Agreement in whole or in part.

14.1 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause after receipt by the Contractor of written notice by the Town. Upon termination for convenience, the Contractor shall be paid for all undisputed Services performed to the termination date.

14.2 For Cause. If either party fails to perform any obligation pursuant to this Agreement and such party fails to cure its nonperformance within 30 days after notice of nonperformance is given by the non-defaulting party, such party will be in default. In the event of such default, the non-defaulting party may terminate this Agreement immediately for cause and will have all remedies available to it at law or in equity, including, without limitation, the remedy of specific performance. If the nature of the defaulting party's nonperformance is such that it cannot reasonably be cured within 30 days, then the defaulting party will have such additional periods of time as may be reasonably necessary under the circumstances, provided the defaulting party immediately (A) provides written notice to the non-defaulting party and (B) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event shall any such cure period exceed 90 days. In the event of such termination for cause, the Town shall make payment to the Contractor for the undisputed portion of its fee due as of the termination date.

14.3 Due to Work Stoppage. The Town may terminate this Agreement upon 30 days' written notice to the Contractor in the event that the Services are permanently abandoned. If

the Contractor abandons the Services without the consent of the Town, the Contractor shall be liable for all actual, incidental, and consequential damages arising from or related to said abandonment, including, but not limited to (A) the difference between the cost of a replacement contractor to complete the Services and the contract price for the Contractor under this Agreement; and (B) any additional charges, costs, fees or expenses for labor, materials or professional services incurred by the Town as a result of delays caused by abandonment of the Services by the Contractor. The Town shall use its best efforts to replace the Contractor within a reasonable time.

14.4 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of the Town or any of its departments or agencies is, at any time while this Agreement or any extension of this Agreement is in effect, an employee of any other party to this Agreement in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement.

14.5 Gratuities. The Town may, by written notice to the Contractor, cancel this Agreement if it is found by the Town that gratuities, in the form of economic opportunity, future employment, entertainment, gifts, or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer, agent or employee of the Town for the purpose of securing this Agreement. In the event this Agreement is canceled by the Town pursuant to this provision, the Town shall be entitled, in addition to any other rights and remedies, to recover and withhold from the Contractor an amount equal to 150% of the gratuity.

14.6 Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town's then-current fiscal year. The Town's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds to pay its Agreement obligation, this Agreement shall be deemed terminated at the end of then-current fiscal term for which such funds were appropriated and budgeted for such purpose, and the Town shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. This Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep the Contractor informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment under this Agreement is not a general obligation or indebtedness of the Town. The Contractor hereby waives any and all rights to bring a claim against the Town from or related in any way to the Town's termination of this Agreement under this Section.

14.7 Obligations Upon Receipt of Termination Notice. Upon receipt of a notice of termination as set forth above, the Contractor shall (A) immediately discontinue all Services affected (unless the notice directs otherwise), and (B) deliver to the Town copies of all data, reports, calculations, drawings, specifications, and estimates entirely or partially completed, together with all unused materials supplied by the Town, related to the Services including any

completed divisible part of the Services which can be deemed to stand alone (the completed divisible parts of the Services will be determined by both parties at the time of termination). Such termination shall not relieve the Contractor of liability for errors and omissions. Any use of incomplete documents for the Services or for any other project without the specific written authorization by the Contractor will be without liability or legal exposure to the Contractor. The Contractor shall appraise the work it has completed and submit the appraisal to the Town for evaluation.

15. Suspension of Work. Intentionally omitted.

16. Miscellaneous.

16.1 Independent Contractor. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the Town. The Contractor, its employees, and subcontractors are not entitled to workers' compensation benefits from the Town. The Town does not have the authority to supervise or control the actual work of the Contractor, its employees, or subcontractors. The Contractor, and not the Town, shall determine the time of its performance of the services provided under this Agreement so long as the Contractor meets the requirements of its agreed Scope of Work as set forth in Section 2 and in Exhibit A. The Contractor is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. The Town and the Contractor do not intend to nor will they combine business operations under this Agreement.

16.2 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona, and suit pertaining to this Agreement may be brought only in courts in Yavapai County, Arizona.

16.3 Laws and Regulations. The Contractor shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Contractor is responsible abides by, and remains in compliance with, all rules, regulations, ordinances, statutes, or laws affecting the Services, including, but not limited to, (A) existing and future Town and County ordinances and regulations, (B) existing and future State and Federal laws, and (C) existing and future OSHA standards.

16.4 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the Town and the Contractor.

16.5 Provisions Required by Law. Each and every provision of law and any clause required by law to be in this Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, this Agreement will promptly be physically amended to make such insertion or correction.

16.6 Severability. The provisions of this Agreement are severable to the extent that any provision or application held to be invalid by a Court of competent jurisdiction shall not affect any other provision or application of this Agreement that may remain in effect without the invalid provision or application.

16.7 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements, or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting this Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting and reviewing of, and entry into, this Agreement.

16.8 Assignment; Delegation. No right or interest in this Agreement shall be assigned or delegated by the Contractor without prior, written permission of the Town, signed by the Town Manager. Any attempted assignment or delegation by the Contractor in violation of this provision shall be a breach of this Agreement by the Contractor.

16.9 Subcontracts. No subcontract shall be entered into by the Contractor with any other party to furnish any of the material or services specified herein without the prior written approval of the Town. The Contractor is responsible for performance under this Agreement whether or not subcontractors are used. Failure to pay subcontractors in a timely manner pursuant to any subcontract shall be a material breach of this Agreement by the Contractor.

16.10 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of and payment for Services, shall not release the Contractor from any responsibilities or obligations imposed by this Agreement or by law, and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

16.11 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

16.12 Liens. All materials or services shall be free of all liens and, if the Town requests, a formal release of all liens shall be delivered to the Town.

16.13 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Contractor any amounts the Contractor owes to the Town for damages that have been reduced to a judgment resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset from any money due to the Contractor any amounts the Contractor owes to the Town for delinquent fees, transaction privilege use taxes, and property taxes, including any interest or penalties.

16.14 Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, or (C) given to a recognized and reputable overnight delivery service, to the address set forth below, or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection:

If to the Town:	Town of Chino Valley 202 North State Route 89 Chino Valley, Arizona 86323 Attn: Terri Denemy, Town Manager
With copy to:	GUST ROSENFELD P.L.C. One East Washington Street, Suite 1600 Phoenix, Arizona 85004-2553 Attn: Andrew J. McGuire
If to Contractor:	Tri-City Towing, Inc. PO Box 4105 Chino Valley, AZ 86323 Attn: Grady Clements

Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage, or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

16.15 Confidentiality of Records. The Contractor shall establish and maintain procedures and controls that are acceptable to the Town for the purpose of ensuring that information contained in its records or obtained from the Town or from others in carrying out its

obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform the Contractor's duties under this Agreement. Persons requesting such information should be referred to the Town. The Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Contractor as needed for the performance of duties under this Agreement.

16.16 Information Technology. If necessary for the fulfillment of this Agreement, the Town may provide the Contractor with non-exclusive, limited access to the Town's information technology infrastructure. The Contractor understands and agrees to abide by all Town policies, standards, regulations, and restrictions regarding access and usage of the Town's information and communication technology resources. The Contractor shall enforce all such policies, standards, regulations, and restrictions with all the Contractor's employees, agents, or any tier of subcontractor granted access in the performance of this Agreement and shall be granted and authorized only such access as may be necessary for the purpose of fulfilling the requirements of this Agreement.

16.17 Records and Audit Rights. To ensure that the Contractor and its subcontractors are complying with the warranty under subsection 16.18, the Contractor's and its subcontractor's books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any of the Contractor's and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on the Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 16.18. To the extent necessary for the Town to audit Records as set forth in this subsection, the Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to the Contractor pursuant to this Agreement. The Contractor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this subsection. The Town shall give the Contractor or its subcontractors reasonable advance notice of intended audits. The Contractor shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

16.18 E-Verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-Verify requirements under ARIZ. REV. STAT. § 23-214(A). The Contractor's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

16.19 Israel. To the extent applicable under ARIZ. REV. STAT. § 35-393 through § 35-393.03, the parties hereby certify that they are not currently engaged in, and agree to not engage in for the duration of this Agreement, a “boycott” of goods or services from Israel, as that term is defined in ARIZ. REV. STAT. § 35-393.

16.20 Conflicting Terms. In the event of any inconsistency, conflict, or ambiguity among the terms of this Agreement, any amendments, the Scope of Work, any Town-approved Purchase Order, or the Fee Proposal, the documents shall govern in the order listed herein.

16.21 Time is of the Essence. The timely completion of the Services is of critical importance to the economic circumstances of the Town.

16.22 Meaning of Terms. References made in the singular shall include the plural, and the masculine shall include the feminine or the neuter.

16.23 Non-Exclusive Contract. This Agreement is entered into with the understanding and agreement that it is for the sole convenience of the Town. The Town reserves the right to obtain like goods and services from another source when necessary.

16.24 Forced Labor of Ethnic Uyghurs. To the extent applicable under ARIZ. REV. STAT. § 35-394, the Contractor warrants and certifies that it does not currently, and agrees that it will not for the duration of this Agreement use the forced labor, any goods or services produced by the forced labor, or 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 that it is not in compliance with this paragraph, the Contractor shall notify the Town of the noncompliance within five business days of becoming aware of it. If the Contractor fails to provide a written certification that it has remedied the noncompliance within 180 days after that, this Agreement shall terminate unless the termination date of this Agreement occurs before the end of the remedy, in which case this Agreement terminates on its termination date.

16.25 Excluded Terms. Terms and conditions not fully outlined in this Agreement, provided to the Town only by reference to one or more websites, or provided to the Town only as “clickwrap” or “clickthrough” terms when using or attempting to use a site or service, are not binding upon the Town.

16.26 Licensing and Registration. The Contractor warrants that it is registered with the Arizona Corporation Commission to do business in Arizona and, upon request, will provide proof thereof to the Town.

16.27 Counterparts. This Agreement may be executed simultaneously or in counterparts, each of which constitutes an original, but all of which together constitute one and the same agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

“Town”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

“Contractor”

TRI-CITY TOWING, INC.,
an Arizona corporation

Tom Armstrong, Mayor

Grady Clements

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

EXHIBIT A
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
TRI-CITY TOWING, INC.

[Scope of Work]

See following pages.

SCOPE OF WORK

Prior to the Contractor being placed on the rotational tow list, CVPD must inspect and approve all of the Contractor's equipment and facilities that will be used in providing the Services. The Contractor shall notify the CVPD in writing prior to any change or substitution of the equipment or facilities. If prior notice is not possible due to an emergency situation, written notice within 10 days of any change is required. The Town has designated Randy Chapman as the "Town Representative," but the Town may designate a different person to serve in that role upon 24 hours' notice to the Contractor. All communications to the Town regarding this Agreement shall be through the Town Representative.

1. Requests for Services.

- 1.1 The Contractor must be able to respond to requests for Services 24 hours per day, 365 days per year.
- 1.2 The Contractor shall provide the Services when and as requested by the Town.
- 1.3 When called by the CVPD, the Contractor shall dispatch its own truck; the Contractor may not substitute another company to perform the Services.
- 1.4 The Contractor shall tow the requested vehicle regardless of its condition or value.
- 1.5 Response time to the designated site shall not be more than 30 minutes, on average, from the receipt of the request from CVPD. Appropriate staffing shall be in place to accommodate this response time 24 hours each day. Average response time will be determined by adding up all of the Contractor's recent consecutive response times (up to 15) and dividing by the number of responses.
- 1.6 Failure to respond to a request for Services within 30 minutes may result in: (A) suspension of the Contractor from the rotational list; (B) the Contractor being placed at the bottom of the rotational list; or (C) cancellation of this Agreement, at the discretion of Town. Extenuating circumstances for delays, including, but not limited to, bad weather, severe traffic backup due to a crash, or additional accidents, may be taken into consideration by the Town in its decision to take any action as a result of the Contractor's failure to respond within 30 minutes.
- 1.7 Each call to the Contractor shall constitute one turn on the rotational list. After each call, the Contractor shall be placed at the bottom of the rotation. The Contractor shall forfeit its turn and be moved to the bottom of the list if: (A) the Contractor fails to answer its telephone, (B) the Contractor is unable to respond or provide the Services, or (C) the call is canceled due to excessive response time. If the Contractor arrives more than 30 minutes from the time of the call (per Yavapai County Sheriff's Office "YCSO" record keeping), at the officer's discretion the Contractor may be required to forfeit its turn and be replaced by the next tow company on rotation.

2. Equipment.

2.1 The Contractor shall have, at a minimum, the following vehicles available at all times, at least one of which is classified as a medium or heavy-duty wrecker:

- A. One power-operated wrecker.
- B. One rollback wrecker.

2.2 All towing vehicles shall:

- A. Have the Contractor's name painted on both the driver and passenger sides of the vehicle in lettering at least three inches in height and shall display the current Arizona Department of Public Safety inspection seal.
- B. Have proper equipment that complies with A.R.S. § 28-1108 in order to prevent damage to towed vehicles. This equipment includes, but is not limited to: dollies, chains, slings, and bumpers.
- C. Have the necessary equipment to clean accident scenes including, but not limited to, brooms, shovels and sand or an appropriate absorbent material to be used when sand does not adequately absorb spilled liquids/material.
- D. Have a functioning two-way radio system with 24-hour dispatching.
- E. Have the rates posted for all Services.

3. Storage Facilities.

3.1 Storage facilities must be located within the corporate limits of the Town of Chino Valley and meet all zoning requirements.

3.2 Each facility must be on record with the CVPD and either owned or leased for use by the Contractor. Proof of ownership or lessee status must be provided.

3.3 The Contractor shall have a staff member on-site at its storage facility to assist customers during business hours, Monday through Friday from 8:00 a.m. to 5:00 p.m., except for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

3.4 The Contractor shall have a telephone number prominently posted at its storage facility for after-hours release of vehicles. The after-hours telephone number shall be answered and responded to at all times so that vehicles may be released after regular business hours, if necessary. The Contractor shall maintain with CVPD an emergency phone number to facilitate the release of a vehicle.

3.5 Vehicles shall be taken directly to the Contractor's storage facility unless the tow driver is advised otherwise by the CVPD or the vehicle's owner/driver.

- 3.6 The storage facility shall not be located within a wrecking yard that is in the business of dismantling vehicles.
- 3.7 The Contractor shall provide a fenced storage area with a secure fence at least six feet in height plus outwardly slanted three-strand (or greater) barbed or razor wire that complies with the requirements of the Chino Valley Town Code and Unified Development Ordinance.
- 3.8 The storage area shall be lit with at least a 7.4 lumen light output level of electrical light for each square foot of storage area.
- 3.9 The storage facility shall have a controlled access point and be locked when unattended. The Contractor shall be responsible for the safekeeping of vehicles stored and for the items and personal property in the stored vehicles. Vehicles cannot be stored at any location other than those on record with the CVPD.
- 3.10 Vehicles shall not be removed from the initial storage yard for a period of 10 calendar days unless requested by the owner or authorized agent. If, after a period of 10 calendar days, instructions have not been received from an owner or authorized agency, the Contractor may remove the vehicle to an alternate storage lot outside the Town boundaries that meets the security requirements listed in this Section. Removal to an alternate lot may not result in any additional charge to the vehicle owner.
- 3.11 A person whose vehicle is stored or impounded for reasons other than evidentiary purposes shall have the right to remove any personal property, perishables, or valuables prior to the release or payment of impound fees (excluding items attached to the vehicle, e.g., stereo equipment, etc.). All storage fees shall be assessed against the vehicle or owner and not against personal property.
- 3.12 Upon reasonable notice, the Contractor shall permit inspection of the storage facilities by any member of the CVPD during business hours.

4. Personnel.

- 4.1 The Contractor shall have sufficient qualified personnel available for the operation of its vehicles at all times.
- 4.2 All drivers must have a current State of Arizona driver's license, with proper class, endorsements and medical qualifications.
- 4.3 The Contractor's personnel (and owners) may not solicit or suggest a repair facility to the owner/driver of a damaged vehicle.
- 4.4 All drivers shall operate the vehicle used for towing in a safe and prudent manner and obey all laws and ordinances at all times.
- 4.5 Drivers shall wear safety vests any time they are in a roadway, including while hooking up vehicles to be towed and when cleaning debris from the scene.

- 4.6 The Contractor shall be fully responsible for its drivers' actions.
- 4.7 While performing Services under this Agreement, the Contractor's personnel shall refrain from acts of misconduct including, but not limited to, the following:
- A. Rude or discourteous behavior, including profane and vulgar language.
 - B. Any act of sexual harassment or sexual impropriety.
 - C. Indication of alcohol and/or drug use or appearing at the scene with an alcohol odor emitting from the employee's breath. In such case, the employee shall submit to a preliminary alcohol screening test upon demand of the Town Representative.
 - D. Lack of service, selective service, or refusal to provide service which the employee(s) is capable of performing.
5. Information to be Provided by the Contractor to Person Responsible for the Towed Vehicle.
- 5.1 The Contractor's business card, which shall contain the following information:
- A. The Contractor's name, address, and telephone number.
 - B. Hours of operation.
 - C. Telephone number for after-hours release of vehicles.
- 5.2 A brochure listing the rates, terms of this Agreement, and clear instructions for retrieval of the vehicle.
6. Storage/Release of Vehicles.
- 6.1 When instructed by a CVPD officer to tow a vehicle pursuant to A.R.S. § 28-3511, the Contractor shall deliver the vehicle to its approved storage facility (see Paragraph 10 for additional requirements related to vehicles towed pursuant to A.R.S. § 28-3511).
- 6.2 It is the Contractor's sole responsibility to determine that the vehicle is being released to the actual owner/authorized agent and shall not release a vehicle until the owner or authorized agent has provided the Contractor with a copy of the owner or authorized agent's valid driver's license, proof of insurance, and current registration for the vehicle.
7. Site Cleanup. The Contractor is responsible for cleaning up all debris at the scene of an accident, including all vehicle parts, broken glass, dirt, sand or any other matter left in the roadway as a result of an accident. The Contractor is responsible for retention of and/or appropriate disposal of accident debris. **Failure to thoroughly clean up a roadway may result in the driver or company being issued a citation pursuant to A.R.S. § 28-898(C) or charged with a class 3 misdemeanor pursuant to A.R.S. § 28-7056(A) and possible removal of the Contractor from the rotational tow list.**

8. Cancellation of Services Request. After the Contractor has received a request for Services, CVPD may cancel the request at any time. If the cancellation is made prior to any portion of the Contractor's equipment being physically attached to the vehicle to be towed, the Contractor shall not charge for the Service. If cancellation is made subsequent to any portion of the tow vehicle's equipment being physically attached to the vehicle to be towed, the Contractor may charge for the Service even if the vehicle is not towed.
9. Records; Reports.
 - 9.1 The Contractor shall maintain a record for one year on each vehicle towed at CVPD's request. The record shall contain, at minimum, the following information:
 - A. Make, model, and year of the vehicle.
 - B. License plate number and state of issue.
 - C. Vehicle identification number.
 - D. Date and time the vehicle was picked up.
 - E. Location where the vehicle was picked up.
 - F. Location where the vehicle was taken (and other storage location(s) as applicable).
 - G. Date and time the vehicle was released.
 - H. Name and address of the individual to whom the vehicle was released.
 - 9.2 If the vehicle is sold at auction, the Contractor shall document, in writing, the date of auction and the name and address of the person purchasing the vehicle at auction.
 - 9.3 The Contractor shall maintain records of itemized tow and storage billing statements.
 - 9.4 Within 10 days after releasing a vehicle, the Contractor shall notify YCSO Dispatch via facsimile at **928-771-3260**.
 - 9.5 Upon reasonable notice, the Contractor shall permit inspection of the records (and vehicles) required by this Agreement during business hours as well as an audit of the records at its place of business.
 - 9.6 The Contractor shall submit all reports required by A.R.S. §§ 28-4801 through 28-4884 to the Arizona Department of Transportation.
10. Vehicles Towed Pursuant to A.R.S. § 28-3511. The following requirements apply only to vehicles towed pursuant to a request from a peace officer to remove and either immobilize or impound a vehicle pursuant to A.R.S. § 28-3511.
 - 10.1 The Contractor shall tow, not drive, the vehicle to the Contractor's approved storage facility, where it shall remain until authorization for release is obtained from CVPD.

- 10.2 The Contractor shall store the vehicle in accordance with A.R.S. § 28-3511 and shall only charge the fees outlined in this Agreement.
- 10.3 If the owner contacts the Contractor requesting release of the vehicle, the Contractor shall advise the vehicle owner of the requirement for a hearing. If a hearing is held, the Town will collect its hearing fee and notify the Contractor that the vehicle is available for release. It is the responsibility of the Contractor to collect its fees authorized under this Agreement.
- 10.4 Failure to notify the vehicle owner of the required hearing prior to the release of the vehicle will result in the removal of the Contractor from the rotational list for 30 calendar days. A second and subsequent violation of this will result in removal from the rotational list for at least one calendar year.
- 10.5 If the Contractor obtains possession of any vehicle towed pursuant to A.R.S. § 28-3511 (either through receipt of abandoned vehicle title or by virtue of the owner transferring title to the Contractor), the Contractor shall provide CVPD with the following information prior to disposing of the vehicle. Upon receipt of such information, CVPD shall prepare a letter authorizing the Contractor to take possession of the vehicle and dispose of it in compliance with A.R.S. § 28-3515:
- A. A complete description of the vehicle.
 - B. VIN number.
 - C. Department Report Number.
 - D. A clear copy of the title (front and back).

EXHIBIT B
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
TRI-CITY TOWING, INC.

[Fee Schedule]

See following page.

FEE SCHEDULE

(Subject to Change)

TYPE OF SERVICE	TASKS INCLUDED	FEE
Level 1 Service	Unlock Fuel delivery (customer pays for fuel) Tire change (up to 3/4 ton) Jump starts	\$77.00
Level 2 Tow*	Basic tow: Vehicle has keys. Wheels and tires are operable. Vehicle is under 9,000 lb. GVW.	\$160.00
Level 3 Tow*	Accident tow: No keys. Wheels and tires are inoperable. Winching is under 50 feet from tow truck access. Vehicle is under 9,000 lb. GVW.	\$260.00
Level 4 Tow	Vehicle is towed pursuant to A.R.S. § 28-3511. Vehicle is towed as requested by CVPD.	\$220.00
Large Vehicle Tows	9,001 – 16,000 lb. GVW. 16,001 – 26,000 lb. GVW. 26,001 – 80,000 lb. GVW.	\$160.00/hour port to port \$200.00/hour port to port \$245.00/hour port to port
Off-Road Recovery Rate/Standby Rate***	After first 1/2 hour on scene or vehicle is greater than 50 feet from tow truck access; Vehicle is under 9,000 GVW.	\$160.00
Recovery, Large Vehicles	9,001 – 16,000 lb. GVW. 16,001 – 80,000 lb. GVW.	\$220.00/hour \$330.00/hour
Daily Storage	Regular tow after first full 24-hour period.	\$40.00
Daily Storage	Vehicles impounded pursuant to A.R.S. § 28-3511.	\$25.00
After Hours Gate Fee**		\$70.00
Cost Per Loaded Mile		\$5.00
Filing Fee		Not to exceed \$150.00
Fuel Surcharge	Rate will be recalculated based on EIA rates if diesel prices rise to \$4.50 per gallon or higher.	15% of total service bill

* Level 2 and 3 tows include towing the vehicle inside the boundaries of the Town of Chino Valley. When the vehicle owner or agent requests the vehicle be towed to a location outside the Town limits, “Cost per loaded mile” may be charged from the Town limits to the requested destination.

** After Hours Gate Fee will be charged only when the owner or agent of a vehicle requests entrance to the impound facility after normal business hours. It will not be charged when a tow is performed outside normal business hours.

*** Off-Road Recovery Fee will be charged only when a vehicle needs to be recovered more than 50 feet from tow truck access and will be charged at the rate commensurate with the vehicle’s registered gross vehicle weight (GVW).

No other miscellaneous charges are allowed. These services shall be considered part of the towing fee and include, but are not limited to, items such as a Snatch Blocks, Skates, no-key service, and driveshaft removal.



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5b
MEETING DATE: 5/13/2025
CONTACT PERSON: Frank Marbury, Public Works Director/Town Engineer
ITEM TYPE: Consent Item

AGENDA ITEM TITLE:

Consideration and possible action to approve a Public Utility Easement through a Town-owned property at Old Home Manor for power service to the Yavapai College Housing Project.

SUMMARY:

The Yavapai College Chino Valley (YCCV) Campus is currently constructing a housing project on the west side of their property. The proposed easement will allow the project to be served by Arizona Public Service (APS) with power by connecting existing power within the East Road 4 North alignment and the north side of YCCV.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Approve a Public Utility Easement through a Town-owned property at Old Home Manor for power service to the Yavapai College Housing Project.

FISCAL IMPACT?

N/A

ATTACHMENTS:

1.	AGR - APS Utility Easement - Yavapai College Housing Project w Exhibits
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WHEN RECORDED, RETURN TO:

Town Clerk

Town of Chino Valley

202 North State Route 89

Chino Valley, Arizona 86323

UTILITY EASEMENT

TOWN OF CHINO VALLEY, an Arizona municipal corporation (“Grantor”), is the owner of that certain real property located in Yavapai County, Arizona, with Yavapai County Assessor’s Parcel Number 306-02-001W (“Grantor’s Property”).

Grantor, for and in consideration of One Dollar (\$1.00) and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant and convey to **ARIZONA PUBLIC SERVICE COMPANY**, an Arizona corporation (“Grantee”), and to its successors and assigns, a non-exclusive right, privilege, and easement at locations and elevations, in, upon, over, under, through, and across a portion of Grantor’s Property, as described on **EXHIBIT A** and depicted on **EXHIBIT B**, both attached hereto and made a part hereof (the “Easement Premises”).

Grantee is hereby granted the right within the Easement Premises to (1) construct, reconstruct, replace, repair, operate, and maintain electrical lines, together with appurtenant facilities and fixtures for use in connection therewith, for the transmission and distribution of electricity to, through, across, and beyond Grantor’s Property; (2) install, operate, and maintain telecommunication wires, cables, conduits, fixtures, and facilities incidental to supplying electricity or for Grantee’s own use (said electrical and telecommunication lines, facilities, and fixtures are collectively the “Grantee Facilities”); (3) utilize the Easement Premises for all other purposes connected therewith; and (4) permit the installation of the wires, fixtures, conduits, or cables of any other company.

Grantee is hereby granted the right, but not the obligation, to trim, prune, cut, and clear away trees, brush, shrubs, or other vegetation on, or adjacent to, the Easement Premises whenever in Grantee’s judgment the same shall be necessary for the convenient and safe exercise of the rights herein granted.

Grantee shall at all times have the right of full and free ingress and egress to and along the Easement Premises for the purposes herein specified.

Grantor shall maintain (1) clear areas that extend three feet from and around all edges of all switching cabinet pads and two feet from and around all edges of all transformer pads and other equipment pads; (2) clear operational areas that extend ten feet immediately in front of all transformer, switching cabinet, and other equipment openings; and (3) six-foot by six-foot hot-stick operating areas off the front left corner of all transformers. No obstructions, trees, shrubs, large landscape rocks, fences, fixtures, or permanent structures shall be placed by Grantor within said clear areas, nor shall Grantor install landscape irrigation or sprinkler systems within said clear areas. Landscape irrigation or sprinkler systems installed adjacent to the clear areas shall be installed and maintained so that the transformers, switching cabinets, and other equipment do not get wet by spray or irrigation.

Grantor shall not locate, erect, or construct, or permit to be located, erected, or constructed, any building or other structure or drill any well within the limits of the Easement Premises; nor shall Grantor plant or permit to be planted any trees within the limits of the Easement Premises without the prior written consent of Grantee. However, Grantor reserves the right to use the Easement Premises for purposes that are not inconsistent with Grantee’s easement rights herein conveyed and which do not interfere with or endanger any of the Grantee Facilities, including, without limitation, granting others the right to use all or portions

EXHIBIT “A”

[Legal Description of Easement Premises]

See the following page.

LAND DESCRIPTION

APS EASEMENT

EXHIBIT A

A PORTION OF TRACT 44, SECTION 12, TOWNSHIP 16 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, YAVAPAI COUNTY, TOWN OF CHINO VALLEY, STATE OF ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS.....

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 12 MONUMENTED BY A G.L.O. BRASS CAP MONUMENT, THE NORTH 1/4 CORNER OF SAID SECTION MONUMENTED BY A G.L.O. BRASS CAP BEARS SOUTH 88° 57' 45" WEST A DISTANCE OF 2666.77 FEET;

THENCE ALONG THE NORTHERLY LINE OF SAID SECTION 12 SOUTH 88° 57' 45" WEST A DISTANCE OF 1665.50 FEET TO A POINT OF INTERSECTION OF SAID NORTHERLY SECTION LINE AND THE NORTHERLY PROLONGATION OF A LINE PARALLEL WITH AND DISTANT 10.00 FEET EASTERLY (MEASURED AT RIGHT ANGLES) OF THE WESTERLY LINE OF THE LAND DESCRIBED AS PARCEL 1 OF BOOK 4673, PAGE 405, RECORDS OF SAID COUNTY, SAID POINT ALSO BEING THE **POINT OF BEGINNING**;

THENCE ALONG SAID NORTHERLY PROLONGATION SOUTH 00° 34' 57" WEST A DISTANCE OF 756.01 FEET TO THE NORTHERLY LINE OF SAID PARCEL 1;

THENCE ALONG SAID NORTHERLY LINE SOUTH 88° 57' 45" WEST A DISTANCE OF 10.00 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 1;

THENCE ALONG SAID NORTHERLY PROLONGATION LINE NORTH 00° 34' 57" EAST A DISTANCE OF 756.01 FEET TO SAID NORTHERLY SECTION LINE;

THENCE ALONG SAID NORTHERLY LINE NORTH 88° 57' 45" EAST A DISTANCE OF 10.00 FEET TO THE **POINT OF BEGINNING**.

ATTACHED HERETO IS EXHIBIT "B", AND BY THIS REFERENCE MADE A PART HEREOF. CONTAINING 7,560 S.F. (0.174 ACRES), MORE OR LESS.



EXHIBIT “B”

[Depiction of Easement Premises]

See the following page.

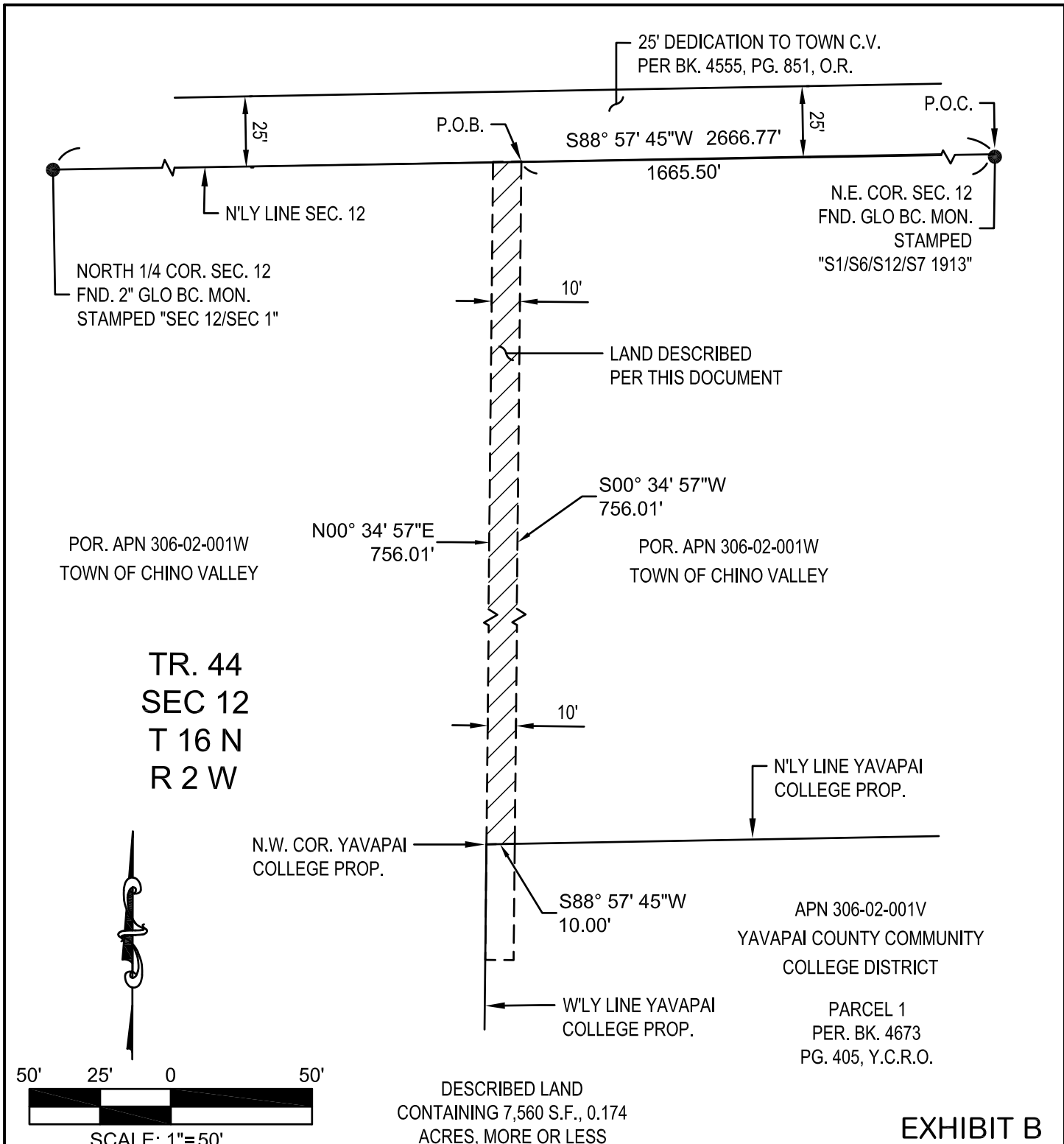


EXHIBIT B



YAVAPAI COUNTY, ARIZONA				
TOWN OF CHINO VALLEY APS EASEMENT LAND DESCRIPTION				
DE: KR	CH: BIT	DR: KR	JN: 2024701.00	SHEET 1 OF 1



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5c
MEETING DATE: 5/13/2025
CONTACT PERSON: Frank Marbury, Public Works Director/Town Engineer
ITEM TYPE: Consent Item

AGENDA ITEM TITLE:

Consideration and possible action to approve the purchase of a 2025 Ford F550 Fleet Service Truck from San Tan Ford for \$132,429.66.

SUMMARY:

The Public Works Department proposes the purchase of a new vehicle to address the evolving operational needs of both the Fleet and Utilities departments. The vehicle currently assigned to Fleet is no longer adequate for their requirements to service town vehicles. This proposal seeks to provide Fleet with a more suitable vehicle to meet the town's operational demands. Meanwhile, the Utilities Department is facing a growing need for an additional vehicle to support its own operational functions.

While the existing vehicle in Fleet is no longer fit for their needs, it remains functional and would fully meet the operational needs of the Utilities department. This re-purposing of the current Fleet vehicle to Utilities allows the vehicle to continue being used effectively, ensuring both departments are equipped with the necessary vehicles to support their day-to-day operations. The estimated cost of an additional new vehicle for the Utilities Department would be \$90,000. The purchase of the Fleet Service Truck and the re-purposing of the current service vehicle, represents the most cost-effective solution for meeting the operational needs of both departments with a single vehicle purchase.

The new Fleet Service Truck is a 2025 Ford F550 with a Mechanics Service Body and Crane. The contract being utilized is Arizona State Contract CTR059323. The quote, state contract, and a picture of a similar service truck are attached. The final purchase price with delivery is \$132,429.66. This is \$47,570.34 under the original budgeted amount of \$180,000.

We believe this approach will maximize the utility of our existing resources, while enabling both Fleet and Utilities to operate more efficiently and effectively.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Approve the purchase of a 2025 Ford F550 Fleet Service Truck from San Tan Ford for \$132,429.66.

FISCAL IMPACT?

Available budget: General Fund - Public Works - Fleet - Service Truck	\$180,000.00
Less this approval item: 2025 Ford F550 Service Truck from San Tan Ford	<u>-\$132,429.66</u>
Remaining budget: General Fund - Public Works - Fleet - Service Truck	\$47,570.34

ATTACHMENTS:

1.	Typical F550 Service Truck
2.	AGR - San Tan Ford - 2025 F550 Super Cab 4x4 with Mechanics Truck
3.	Exhibit A - State Contract CTR059323 - San Tan Ford
4.	Exhibit B - Purchase Order for 2025 F550 Super Cab 4X4 with Mechanics Truck 4-1-25



**COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
SAN TAN AUTO PARTNERS, LLC,
DBA SAN TAN FORD**

THIS COOPERATIVE PURCHASING AGREEMENT (this “Agreement”) is entered into as of May 13, 2025, between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and San Tan Auto Partners, LLC, an Arizona limited liability company dba San Tan Ford (the “Vendor”). The Town and the Vendor are the only parties to this Agreement; they are each individually a “Party,” and together they are the “Parties.”

RECITALS

A. After a competitive procurement process, the State of Arizona (the “State”) entered into Contract No. CTR059323, dated March 17, 2022, as amended by Amendment Nos. 1, 2, and 3 (undated) (collectively, the “State Contract”), with the Vendor for the purchase of new vehicles. A copy of the State Contract is attached hereto as Exhibit A and incorporated herein by reference to the extent not inconsistent with this Agreement.

B. The Town is permitted to purchase such vehicles under the State Contract, at its discretion, and with the agreement of the Vendor.

C. The Town and the Vendor desire to enter into this Agreement for the purpose of (i) acknowledging their cooperative contractual relationship under the State Contract and this Agreement, (ii) establishing the terms and conditions by which the Vendor may provide the Town with one 2025 Ford F550 Super Cab 4x4 with Mechanics Truck, as more particularly set forth in Section 2 below (the “Vehicle”), and (iii) setting the maximum aggregate amount to be expended pursuant to this Agreement related to the Vehicle.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until May 12, 2026, unless terminated as otherwise provided in this Agreement or the State Contract.

2. Scope of Work. The Vendor shall provide the Vehicle to the Town under the terms and conditions of the State Contract and in the configuration set forth in Quote ID 33125-2 (the “Purchase Order”), attached hereto as Exhibit B and incorporated herein by reference.

3. Inspection; Acceptance. The Vehicle is subject to final inspection and acceptance by the Town. A Vehicle failing to conform to the requirements of this Agreement and/or the State Contract will be held at the Vendor's risk and may be returned to the Vendor. If so returned, all costs are the responsibility of the Vendor. Upon discovery of a non-conforming Vehicle, the Town may elect to do either of the following by written notice to the Vendor: (i) waive the non-conformance or (ii) bring the Vehicle into compliance and withhold the cost of same from any payments due to the Vendor.

4. Compensation. The Town shall pay the Vendor an amount not to exceed \$132,429.66 for the Vehicle at the unit rate set forth in the State Contract and as more particularly set forth in the Purchase Order.

5. Payments. The Town shall pay the Vendor upon delivery and acceptance of the Vehicle and submission and approval of the invoice. The invoice shall (i) contain a reference to this Agreement and the State Contract and (ii) document the Vehicle delivered and accepted to date. Additionally, an invoice submitted without referencing this Agreement and the State Contract will be subject to rejection and may be returned.

6. Records and Audit Rights. To ensure that the Vendor and its subcontractors are complying with the warranty under Section 7 below, the Vendor's and its subcontractors' books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any of the Vendor's and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit evaluation of the Vendor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in Section 7 below. To the extent necessary for the Town to audit Records as set forth in this Section, the Vendor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to the Vendor pursuant to this Agreement. The Vendor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this Section. The Town shall give the Vendor or its subcontractors reasonable advance notice of intended audits. The Vendor shall require its subcontractors to comply with the provisions of this Section by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

7. E-Verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Vendor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-Verify requirements under ARIZ. REV. STAT. § 23-214(A). The Vendor's or its subcontractors' failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

8. Israel. To the extent applicable under ARIZ. REV. STAT. § 35-393 through § 35-393.03, the Parties hereby certify that they are not currently engaged in, and agree to not

engage in for the duration of this Agreement, a “boycott” of goods or services from Israel, as that term is defined in ARIZ. REV. STAT. § 35-393.

9. Conflict of Interest. This Agreement may be canceled by the Town pursuant to ARIZ. REV. STAT. § 38-511.

10. Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona, and a suit pertaining to this Agreement may be brought only in courts in Yavapai County, Arizona.

11. Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town’s then-current fiscal year. The Town’s obligations under this Agreement are current expenses subject to the “budget law” and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose, and the Town shall be relieved of any subsequent obligation under this Agreement. The Parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town’s obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep the Vendor informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. The Vendor hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town’s termination of this Agreement pursuant to this Section.

12. Conflicting Terms. In the event of any inconsistency, conflict, or ambiguity among the terms of this Agreement, including any amendments, the State Contract, the Purchase Order, and the invoice, the documents shall govern in the order listed herein. Notwithstanding the foregoing, and in conformity with Section 2 above, unauthorized exceptions, conditions, limitations, or provisions in conflict with the terms of this Agreement or the State Contract (collectively, the “Unauthorized Conditions”), other than the Town’s project-specific requirements, are expressly declared void and shall be of no force and effect. Acceptance by the Town of any invoice containing any such Unauthorized Conditions or failure to demand full compliance with the terms and conditions set forth in this Agreement or under the State Contract shall not alter such terms and conditions or relieve the Vendor from, nor be construed or deemed a waiver of, its requirements and obligations in the performance of this Agreement.

13. Rights and Privileges. To the extent provided under the State Contract, the Town shall be afforded all of the rights and privileges afforded to the State and shall be the “State” (as defined in the State Contract) for the purposes of the portions of the State Contract that are incorporated herein by reference.

14. Indemnification; Insurance. In addition to and in no way limiting the provisions set forth in Section 13 above, the Town shall be afforded all of the insurance coverage and

indemnifications afforded to the State to the extent provided under the State Contract, and such insurance coverage and indemnifications shall inure and apply with equal effect to the Town under this Agreement including, but not limited to, the Vendor's obligation to provide the indemnification and insurance.

15. Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered to the Party at the address set forth below, (ii) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, or (iii) given to a recognized and reputable overnight delivery service, to the address set forth below, or at such other address, and to the attention of such other person or officer, as any Party may designate in writing by notice duly given pursuant to this subsection:

If to the Town: Town of Chino Valley
 202 North State Route 89
 Chino Valley, Arizona 86323
 Attn: Town Manager

With copy to: GUST ROSENFELD PLC
 One East Washington Street, Suite 1600
 Phoenix, Arizona 85004-2553
 Attn: Andrew J. McGuire

If to the Vendor: San Tan Auto Partners, LLC, dba San Tan Ford
 1429 East Motorplex Loop
 Gilbert, Arizona 85297-0410
 Attn: Joe Sanchez

Notices shall be deemed received (i) when delivered to the Party, (ii) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage, or (iii) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a Party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a Party shall mean and refer to the date on which the Party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

16. Forced Labor of Ethnic Uyghurs. To the extent applicable under ARIZ. REV. STAT. § 35-394, the Vendor warrants and certifies that it does not currently, and agrees that it will not, for the duration of this Agreement, use the forced labor, any goods or services produced by the forced labor, or 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 Vendor becomes aware that it is not in compliance with this paragraph, it shall notify the Town of the noncompliance within five business days of becoming aware of it. If the Vendor fails to provide a written certification that it has remedied the noncompliance within 180 days after that, this Agreement shall terminate unless the termination date of this Agreement occurs before the end of the remedy, in which case this Agreement terminates on its termination date.

17. Counterparts. This Agreement may be executed simultaneously or in counterparts, each of which constitutes an original, but all of which together constitute one and the same Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year first set forth above.

“Town”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

“Vendor”

SAN TAN AUTO PARTNERS, LLC,
an Arizona limited liability company dba
SAN TAN FORD

Tom Amrstrong, Mayor

Joe Sanchez, Government Fleet
Account Manager

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

EXHIBIT A
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
SAN TAN AUTO PARTNERS, LLC,
DBA SAN TAN FORD

[State Contract CTR059323]

See following pages.

EXHIBIT B
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
SAN TAN AUTO PARTNERS, LLC,
DBA SAN TAN FORD

[Purchase Order]

See following pages.

Search / Content / Content

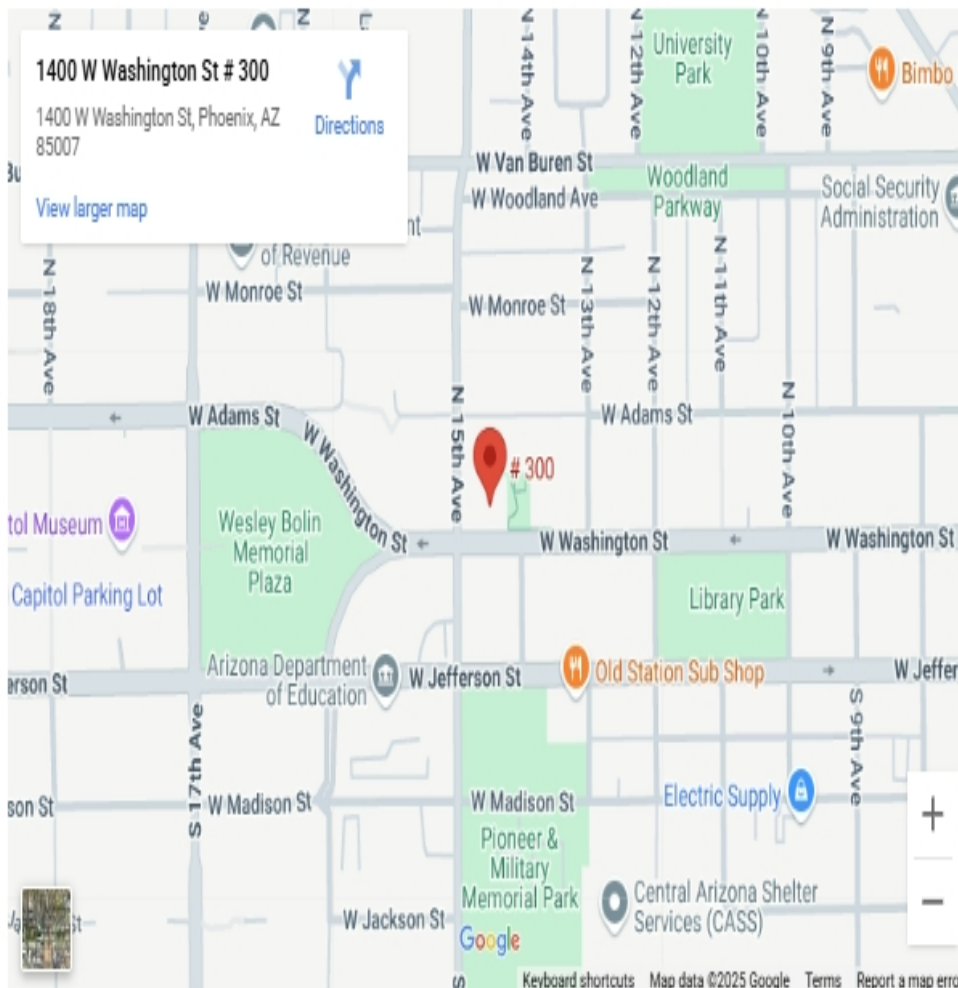
ctr059323



Search results

1. CTR059323

Label: New Vehicle Purchases Amendment #3 Agency: Department of Transportation Supplier Name: SAN TAN AUTO PARTNERS LLC Supplier Email: JOESANCHEZ@SANTANFORD.COM Set Aside: no ...



State Procurement Office, ADOA

Physical Address:

1400 W Washington St., Suite 3100
Phoenix, Az 85007

Mailing Address:

1802 W Jackson St., #100,
Phoenix, AZ 85007

[Directions in Google Maps](#)

[Leave Website Feedback](#)

[Visit ADOA Website](#)

[Careers](#)

Prepared for: Matt Green, Fleet Supervisor, Town of Chino Valley

Office: 928-636-2646 | Mobile: 928-499-5146

Email: mgreen@chinoaz.net

End User FIN Code: KA595

Ship to:

Matt Green, Town of Chino Valley

2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525



Client Proposal

Prepared by:

Joe Sanchez

Office: 480-621-3741

Email: joesanchez@santanford.com

Quote ID: 33125-2

Date: 04/02/2025



San Tan Ford | 1429 East Motorplex Loop, Gilbert, Arizona, 852970410

Office: 480-821-3200 | Fax: 480-988-1691



Government Fleet Account Manager

Joe Sanchez (480) 621-3741

joesanchez@santanford.com

Department Fax (480) 621-3796

Date: April 1, 2025

Customer: Town of Chino Valley

Line Item/State Contract #: X5H / CTR059323

Vehicle Description: 2025 Ford F550 Super Cab 4X4 with Mechanics Truck

with 7.3L V8 Gas Engine

Base Bid Price **\$58,060.00**

Upgrade Options

1 4.88 Limited Slip Axle	Included in Pricing
2 19,550 lbs. GVWR Package	1,155.00
3 Max Traction Tires	215.00
4 Spare Tire & Wheel	Included in Pricing
5 Extra HD Front End Suspension	285.00
6 Skid Plates	Included in Pricing
7 Platform Running Boards	445.00
8 Center High-Mounted Stop Lamp	100.00
9 Rear View Camera & Prep Kit	Included in Pricing
10 Trailer Brake Controller	Included in Pricing
11 Exterior Backup Alarm	220.00
12 Window Tint	300.00
13 4 Keys with 2 FOBS	Included in Pricing
14 Mechanics Truck Build	61,208.32
15 Royal Truck Body Quote# 0502351	
16	
17	
18	
19	
20	
	<u>\$63,928.32</u>

Bid Price (with options) **\$121,988.32**

Number of Tires on Vehicle: **7**

Tire Disposal Fee (\$2.33 / Tire)	\$16.31
Sales Tax (8.30%)	\$10,125.03

Ford Extended Service Plan

Transportation Fee **\$300.00**

Total Delivered Price **\$132,429.66**

Notes:

Thank You,
Joe



2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

As Configured Vehicle

Code	Description
Base Vehicle	
X5H	Base Vehicle Price (X5H)
Packages	
660A	Order Code 660A <i>Includes:</i> - Engine: 7.3L 2V DEVCT NA PFI V8 Gas - 190 Amp Alternator - Transmission: TorqShift 10-Speed Automatic <i>Includes SelectShift, selectable drive modes: normal, tow/haul, eco, slippery roads and off-road and transmission power take-off provision.</i> - Wheels: 19.5" x 6" Argent Painted Steel <i>Hub covers/center ornaments not included.</i> - Radio: AM/FM Stereo w/MP3 Player <i>Includes 6 speakers.</i> - SYNC 4 Communication & Entertainment System <i>Includes enhanced voice recognition, 911 Assist, 8" LCD center stack screen, AppLink and 1 smart-charging USB port.</i>
Powertrain	
99N	Engine: 7.3L 2V DEVCT NA PFI V8 Gas <i>Includes:</i> - 190 Amp Alternator
44G	Transmission: TorqShift 10-Speed Automatic <i>Includes SelectShift, selectable drive modes: normal, tow/haul, eco, slippery roads and off-road and transmission power take-off provision.</i>
X8L	Limited Slip w/4.88 Axle Ratio
68H	GVWR: 19,550 lb Payload Plus Upgrade Package 2 <i>Includes upgraded frame, upgraded rear-axle and low deflection/high capacity rear springs. Increases max RGAWR to 14,706 lbs. Note: See Order Guide Supplemental Reference for further details on GVWR.</i>
Wheels & Tires	
TGK	Tires: 225/70Rx19.5G BSW Traction (TGK) <i>Includes 4 traction tires on the rear and 2 traction tires on the front. Not recommended for over the road applications; could incur irregular front tire wear and/or NVH.</i>
64Z	Wheels: 19.5" x 6" Argent Painted Steel <i>Hub covers/center ornaments not included.</i>
512	Spare Tire & Wheel Required in Rhode Island. <i>Excludes carrier.</i>



2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

As Configured Vehicle (cont'd)

Code	Description
	<i>Includes:</i> - 6-Ton Hydraulic Jack
Seats & Seat Trim	
1	Cloth 40/20/40 Split Bench Seat <i>Includes center armrest, cupholder, storage and driver's side manual lumbar.</i>
Other Options	
PAINT	Monotone Paint Application
168WB	168" Wheelbase
STDRD	Radio: AM/FM Stereo w/MP3 Player <i>Includes 6 speakers.</i>
	<i>Includes:</i> - SYNC 4 Communication & Entertainment System <i>Includes enhanced voice recognition, 911 Assist, 8" LCD center stack screen, AppLink and 1 smart-charging USB port.</i>
67P	Extra Heavy-Duty Front End Suspension - 7,500 GAWR <i>Includes upgraded front axle and max 7,500 lbs. Front springs/GAWR rating for configuration selected. Incomplete vehicle package - requires further manufacture and certification by a final stage manufacturer.</i>
41P	Transfer Case Skid Plates
61J	6-Ton Hydraulic Jack
18B	Platform Running Boards
59H	Center High-Mounted Stop Lamp (CHMSL)
153	Front License Plate Bracket Standard in states requiring 2 license plates and optional to all others.
872	Rear View Camera & Prep Kit <i>Pre-installed content includes cab wiring and frame wiring to the rear most cross member. Upfitters kit includes camera with mounting bracket, 20' jumper wire and camera mounting/aiming instructions.</i>
52B	Trailer Brake Controller
76C	Exterior Backup Alarm (Pre-Installed)

Fleet Options

Prepared for: **Matt Green**
Fleet Supervisor, Town of Chino Valley
Prepared by: Joe Sanchez
04/02/2025



San Tan Ford | 1429 East Motorplex Loop Gilbert Arizona | 852970410

2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

As Configured Vehicle (cont'd)

Code	Description
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>
Emissions	
425	50-State Emissions System
Exterior Color	
Z1_01	Oxford White
Interior Color	
1S_06	Medium Dark Slate w/Cloth 40/20/40 Split Bench Seat

Prepared for: **Matt Green**
Fleet Supervisor, Town of Chino Valley
Prepared by: Joe Sanchez
04/02/2025



San Tan Ford | 1429 East Motorplex Loop Gilbert Arizona | 852970410

2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Pricing Summary - Single Vehicle

	MSRP
<i>Vehicle Pricing</i>	
Base Vehicle Price	\$61,130.00
Options	\$4,180.00
Colors	\$0.00
Upfitting	\$0.00
Fleet Discount	\$0.00
Fuel Charge	\$0.00
Destination Charge	\$2,095.00
Subtotal	\$67,405.00

Pre-Tax Adjustments

Code	Description	MSRP
Discount	San Tan Ford Vehicle Discount	-\$6,925.00
Tint	Window Tint	\$300.00
Body	Mechanics Truck Build	\$61,208.32

Royal Truck Body Quote# 0502351

Subtotal	\$121,988.32
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Sales Taxes

Code	Description	MSRP
State Tax	Arizona State Sales Tax	\$7,685.26
City Sales Tax2	Gilbert Sales Tax-2	\$2,439.77
Subtotal		\$132,113.35

Post-Tax Adjustments

Code	Description	MSRP
Tire Tax	Tire Tax	\$16.31
Transportation	Vehicle Transportation	\$300.00
Subtotal		\$132,429.66
Total		\$132,429.66

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Matt Green
Fleet Supervisor, Town of Chino Valley
Prepared by: Joe Sanchez
04/02/2025



San Tan Ford | 1429 East Motorplex Loop Gilbert Arizona | 852970410

2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Pricing Summary - Single Vehicle

Customer Signature

Acceptance Date



ROYAL TRUCK BODY

900 W 1ST AVE.
MESA, AZ 85210
PHONE: 602-426-1774
FAX: 602-426-1778

QUOTATION			0502351
DATE ENTERED	TRUCK ORIGIN		DATE REQUESTED
4/1/2025	DLR		4/1/2025
WRITTEN BY	SALESMAN	TERR	DATE PROMISED
MXL	MXL	MXL	9/9/9999
END USER (IF DIFFERENT THAN SOLD TO)			TAX SCHED
			AZ MAR

S SANTAN FORD O 1429 E .MOTORPLEX LOOP L GILBERT, AZ 85297										S SANTAN FORD H 1429 E .MOTORPLEX LOOP I GILBERT, AZ 85297 P													
CUST ORDER NO				TERMS				SHIP VIA				TRUCK ETA				CUSTOMER NAME				CUSTOMER PHONE NO			
				NET 30				CPU								JOE SANCHEZ							
MAKE TRUCK		YEAR		MODEL		COLOR		CA DIM		AUX TANK CONFIG				DEF TANK LOC		AXLE TYPE							
Ford		25		550		WHITE		60								4X2 DRW							
STOCK NO.		V.I.N. NO.				BED WIDTH		COMPT DEPTH		OA WIDTH		FUEL TYPE				CAB TYPE							
						49		22		93		Gasoline				Extended							
QTY		PART NO./DESCRIPTION										UNIT PRICE				EXT PRICE							
		STREET SIDE VD CURB SIDE VD																					
1		DEALER CAB CHASSIS CARSON BUILD MESA INSTALL CR5-40-VD-108 40"H X 108"L ROYAL CRANE BODY w/CRANE REINFORCEMENTS UP TO 5000 LB CAPACITY. ALUMINUM LID COVERS, APPEARANCE PACKAGE, LEGAL LED LIGHT PACKAGE. ROYAL'S FORTRESS SECURITY HARDWARE UTILIZING THE ONE-KEY SOLUTION AUTOMOTIVE LOCK PACKAGE FROM BOLT. 4 TIE DOWNS IN BED AREA. PAINTED WHITE.										14,871.0000				14,871.00							
1		M-10 63" HIGH FRONT COMPT.										1,388.0000				1,388.00							
1		M-11 OXY/ACET. BOTTLE BRACKETS W/LOUVERS										414.0000				414.00							
																Continued							

SALES ORDER # 0502351

****QUOTE VALID FOR 30 DAYS****

Page 1 of 5



ROYAL TRUCK BODY

900 W 1ST AVE.
MESA, AZ 85210
PHONE: 602-426-1774
FAX: 602-426-1778

QUOTATION			0502351
DATE ENTERED	TRUCK ORIGIN		DATE REQUESTED
4/1/2025	DLR		4/1/2025
WRITTEN BY	SALESMAN	TERR	DATE PROMISED
MXL	MXL	MXL	9/9/9999
END USER (IF DIFFERENT THAN SOLD TO)			TAX SCHED
			AZ MAR

CUSTOMER NO: SANTAN											
S SANTAN FORD O 1429 E .MOTORPLEX LOOP L GILBERT, AZ 85297					S SANTAN FORD H 1429 E .MOTORPLEX LOOP I GILBERT, AZ 85297 P						
CUST ORDER NO		TERMS		SHIP VIA		TRUCK ETA		CUSTOMER NAME		CUSTOMER PHONE NO	
		NET 30		CPU				JOE SANCHEZ			
MAKE TRUCK	YEAR	MODEL		COLOR	CA DIM	AUX TANK CONFIG		DEF TANK LOC	AXLE TYPE		
Ford	25	550		WHITE	60				4X2 DRW		
STOCK NO.	V.I.N. NO.			BED WIDTH	COMPT DEPTH	OA WIDTH	FUEL TYPE		CAB TYPE		
				49	22	93	Gasoline		Extended		
QTY	PART NO./DESCRIPTION						UNIT PRICE		EXT PRICE		
	STREET SIDE ☐ VD CURB SIDE ☐ VD										
1	63710-009 CTECH DRS BLUE 40-32-22 (132) PACKAGE INCLUDES FROM TOP DOWN (4)-3", (1)-5" & (1)-7" HIGH DRAWER						2,200.0000		2,200.00		
1	CRANE-1 CRANE ET12KX 3500 LB VENTURO CRANE ELECT/HYD						19,405.8500		19,405.85		
1	CR-BR1 ROYAL BOOM REST						682.0000		682.00		
1	602911022 DC31 12 VOLT BATTERY W/BOX 2731						1,441.0000		1,441.00		
										Continued	

SALES ORDER # 0502351

****QUOTE VALID FOR 30 DAYS****

Page 2 of 5



ROYAL TRUCK BODY

900 W 1ST AVE.
MESA, AZ 85210
PHONE: 602-426-1774
FAX: 602-426-1778

QUOTATION			0502351
DATE ENTERED	TRUCK ORIGIN		DATE REQUESTED
4/1/2025	DLR		4/1/2025
WRITTEN BY	SALESMAN	TERR	DATE PROMISED
MXL	MXL	MXL	9/9/9999
END USER (IF DIFFERENT THAN SOLD TO)			TAX SCHED
			AZ MAR

CUSTOMER NO: SANTAN

S SANTAN FORD
O 1429 E .MOTORPLEX LOOP
L GILBERT, AZ 85297
D

S SANTAN FORD
H 1429 E .MOTORPLEX LOOP
I GILBERT, AZ 85297
P

CUST ORDER NO		TERMS	SHIP VIA	TRUCK ETA		CUSTOMER NAME	CUSTOMER PHONE NO
		NET 30	CPU			JOE SANCHEZ	
MAKE TRUCK	YEAR	MODEL	COLOR	CA DIM	AUX TANK CONFIG	DEF TANK LOC	AXLE TYPE
Ford	25	550	WHITE	60			4X2 DRW
STOCK NO.	V.I.N. NO.		BED WIDTH	COMPT DEPTH	OA WIDTH	FUEL TYPE	CAB TYPE
			49	22	93	Gasoline	Extended

QTY	PART NO./DESCRIPTION	UNIT PRICE	EXT PRICE
	STREET SIDE ☐ VD CURB SIDE ☐ VD		
1	602911017 JACK LEG	767.0000	767.00
1	H-2SC SERVICE BODY/COMBO CLASS 5 RECEIVER HITCH (2-1/2" RECEIVER TUBE) AND HITCH INSERT, 16,000 LBS GTW ****DO NOT EXCEED VEHICLE MANUFACTURER'S RECOMMENDED TOWING CAPACITY*****	643.0000	643.00
1	H-4 7 BLADE/ 4 PIN TRAILER CONNECTOR	244.0000	244.00
1	CAMF2	448.0000	448.00
Continued			

SALES ORDER # 0502351

****QUOTE VALID FOR 30 DAYS****

Page 3 of 5



ROYAL TRUCK BODY

900 W 1ST AVE.
MESA, AZ 85210
PHONE: 602-426-1774
FAX: 602-426-1778

QUOTATION			0502351
DATE ENTERED	TRUCK ORIGIN		DATE REQUESTED
4/1/2025	DLR		4/1/2025
WRITTEN BY	SALESMAN	TERR	DATE PROMISED
MXL	MXL	MXL	9/9/9999
END USER (IF DIFFERENT THAN SOLD TO)			TAX SCHED
			AZ MAR

CUSTOMER NO: SANTAN

S SANTAN FORD
O 1429 E .MOTORPLEX LOOP
L GILBERT, AZ 85297
D

S SANTAN FORD
H 1429 E .MOTORPLEX LOOP
I GILBERT, AZ 85297
P

CUST ORDER NO		TERMS		SHIP VIA		TRUCK ETA		CUSTOMER NAME		CUSTOMER PHONE NO	
		NET 30		CPU				JOE SANCHEZ			
MAKE TRUCK	YEAR	MODEL		COLOR		CA DIM	AUX TANK CONFIG		DEF TANK LOC	AXLE TYPE	
Ford	25	550		WHITE		60				4X2 DRW	
STOCK NO.	V.I.N. NO.			BED WIDTH		COMPT DEPTH	OA WIDTH	FUEL TYPE		CAB TYPE	
				49		22	93	Gasoline		Extended	

QTY	PART NO./DESCRIPTION		UNIT PRICE	EXT PRICE
	STREET SIDE VD CURB SIDE VD			
	CAMERA FORD PICK UP BED DELETE ***NOT FOR CHASSIS 360 DEGREE CAMERA OPTION**** ***CHASSIS MUST BE EQUIPPED WITH FACTORY REAR VIEW CAMERA PROVISIONS***			
1	COMPRESSOR VMAC G30 COMPRESSOR		7,574.0500	7,574.05
1	307011001 HOSE REEL {ENTER MODEL#} REELCRAFT 3/8" X 50' HOSE REEL		934.5000	934.50
1	MK108FDD FORD DIESEL MOUNTING KIT 108 DUAL		0.0000	0.00
				Continued

SALES ORDER # 0502351

****QUOTE VALID FOR 30 DAYS****

Page 4 of 5



ROYAL TRUCK BODY

900 W 1ST AVE.
MESA, AZ 85210
PHONE: 602-426-1774
FAX: 602-426-1778

QUOTATION			0502351
DATE ENTERED	TRUCK ORIGIN		DATE REQUESTED
4/1/2025	DLR		4/1/2025
WRITTEN BY	SALESMAN	TERR	DATE PROMISED
MXL	MXL	MXL	9/9/9999
END USER (IF DIFFERENT THAN SOLD TO)			TAX SCHED
			AZ MAR

CUSTOMER NO: SANTAN							
S SANTAN FORD O 1429 E .MOTORPLEX LOOP L GILBERT, AZ 85297			S SANTAN FORD H 1429 E .MOTORPLEX LOOP I GILBERT, AZ 85297 P				
CUST ORDER NO		TERMS	SHIP VIA	TRUCK ETA	CUSTOMER NAME	CUSTOMER PHONE NO	
		NET 30	CPU		JOE SANCHEZ		
MAKE TRUCK	YEAR	MODEL	COLOR	CA DIM	AUX TANK CONFIG	DEF TANK LOC	AXLE TYPE
Ford	25	550	WHITE	60			4X2 DRW
STOCK NO.	V.I.N. NO.		BED WIDTH	COMPT DEPTH	OA WIDTH	FUEL TYPE	CAB TYPE
			49	22	93	Gasoline	Extended
QTY	PART NO./DESCRIPTION				UNIT PRICE	EXT PRICE	
	STREET SIDE VD CURB SIDE VD						
1	/SP-ACC SUPER SPRING CRANE SIDE				1,500.0000	1,500.00	
1	/SP-ACC MILLER BOBCAT 265				7,845.9200	7,845.92	
3	/LABOR LABOR				160.0000	400.00	

THANK YOU FOR CHOOSING ROYAL TRUCK BODY!!!

RECEIVED BY (PRINT NAME) _____

RECEIVED BY (SIGN) _____ DATE _____

Freight:	450.00
Net Order:	60,758.32
Sales Tax	
MARICOPA 8.30%:	0.00
GRAND TOTAL:	61,208.32

In Consideration of allowing you to remove your vehicle from our premises prior to full payment of the underlying work order, the undersigned as authorized agent for **SALES ORDER # 0502351**, hereby agrees that if any litigation arises out of this transaction the prevailing party shall be entitled to reimbursement for court costs and attorney's fees.



2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Selected Equip & Specs

Dimensions

- Conventional Capacity: 18,500 lbs.
- * **Fifth-wheel towing capacity: 21,200 lbs.**
- Front brake diameter: 15.4"
- Vehicle body length: 253.3"
- Vehicle body height: 82.5"
- Vehicle turning radius: 24.0"
- Rear track: 74.0"
- Rear tire outside width: 93.9"
- Frame section modulus: 12.7 cu.in.
- Frame rail width: 34.2"
- Front bumper to back of cab: 146.3"
- Max interior rear cargo volume: 31.6 cu.ft.
- Headroom first-row: 40.8"
- Leg room first-row: 43.9"
- Shoulder room first-row: 66.7"
- Hip room first-row: 62.5"
- GCWR: 30,000 lbs.
- Gooseneck towing capacity: 21,400 lbs.
- Rear brake diameter: 15.8"
- Vehicle body width: 80.0"
- Wheelbase: 168.0"
- Front track: 74.8"
- Cab to axle: 60.0"
- Axle to end of frame: 47.2"
- Frame yield strength (psi): 50000.0
- Front bumper to front axle: 38.3"
- Interior rear cargo volume with seats folded: 31.6 cu.ft.
- Total passenger volume: 116.0 cu.ft.
- Headroom second-row: 40.3"
- Leg room second-row: 33.5"
- Shoulder room second-row: 65.8"
- Hip room second-row: 64.7"

Powertrain

- Spark ignition system
- Engine cylinders: V-8
- Horsepower: 335 HP@3750 RPM
- Radiator
- 10-speed automatic
- Four-wheel drive
- Driveline managed traction control
- * **Mechanical limited slip differential**
- 7.3L V-8 DEVCT variable valve control, engine with 335HP
- Injection Type: sequential MPI
- Torque: 468 lb.-ft.@3750 RPM
- Auxiliary power take-off
- Part-time 4WD
- Recommended fuel: regular unleaded
- Electronic transfer case shift
- Auto locking hub control

Fuel Economy and Emissions

- Gasoline secondary fuel type
- Federal emissions

Suspension and Handling

- Firm ride suspension
- Heavy-duty rear shock absorbers
- Heavy-duty front shock absorbers

Driveability

- 4-wheel disc brakes
- 4-wheel antilock (ABS) brakes
- Front and rear ventilated disc brakes
- Four channel ABS brakes

Prepared for: Matt Green

Fleet Supervisor, Town of Chino Valley

Prepared by: Joe Sanchez

04/02/2025



San Tan Ford | 1429 East Motorplex Loop Gilbert Arizona | 852970410

2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Selected Equip & Specs (cont'd)

- Brake assist system
- Mono-beam rigid axle front suspension
- Front coil springs
- Rear anti-roll bar
- Hydraulic power-assist steering system
- 2-wheel steering system
- Hill Start Assist
- Front anti-roll bar
- * **Rigid axle rear suspension**
- Leaf spring rear suspension
- Re-circulating ball steering

Body Exterior

- Trailer wiring harness
- 4 doors
- Monotone paint
- Black side window trim
- Black windshield trim
- 2 front tow hooks
- Black grille
- Manual extendable trailer mirrors
- Black door mirrors
- Reverse opening right rear passenger door
- 19.5 x 6-inch front and dual rear argnt steel wheels
- * **Running boards**
- Clearcoat paint
- Black fender flares
- Black door handles
- Black front bumper
- Black front bumper rub strip
- Convex spotter in driver and passenger side door mirrors
- Turn signal indicator in door mirrors
- Reverse opening left rear passenger door
- * **LT225/70RS19.5 AT BSW front and rear tires**

Convenience

- Power door locks with 2 stage unlocking
- All-in-one remote fob and ignition key
- Cruise control with steering wheel mounted controls
- Day/Night rearview mirror
- Fixed rear windshield
- Illuminated locking glove box
- Rear beverage holders
- Instrument panel covered bin
- Retained accessory power
- Upfitter switches
- PRND in IP
- Keyfob activated door locks
- Auto-locking doors
- FordPass Connect smart device vehicle start control
- Power first-row windows
- Front beverage holders
- 8 beverage holders
- Illuminated glove box
- Dashboard storage
- Trip computer
- Over the air updates

Comfort

- Manual climate control
- Rear under seat climate control ducts
- Full headliner coverage
- Full floor coverage
- Carpet rear seatback upholstery
- Manual tilting steering wheel
- Cabin air filter
- Cloth headliner material
- Full vinyl floor covering
- Vinyl rear seat upholstery
- Urethane steering wheel
- Manual telescopic steering wheel

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Matt Green

Fleet Supervisor, Town of Chino Valley

Prepared by: Joe Sanchez

04/02/2025



San Tan Ford | 1429 East Motorplex Loop Gilbert Arizona | 852970410

2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Selected Equip & Specs (cont'd)

Seats and Trim

- Seating capacity: 6
- Driver seat with 4-way directional controls
- Height adjustable front seat head restraints
- Split-bench front seat
- Front seat armrest storage
- Manual driver seat fore/aft control
- Manual passenger seat fore/aft control
- Height adjustable rear seat head restraints
- Manual driver seat lumbar
- 40-20-40 split-bench front seat
- Front passenger seat with 4-way directional controls
- Manual front seat head restraint control
- Front seat center armrest
- Manual reclining driver seat
- Manual reclining passenger seat
- Fixed rear seats
- Split-bench rear seat
- * **Cloth front seat upholstery**

Entertainment Features

- 2 total number of 1st row displays
- Primary touchscreen display
- AM/FM
- AM radio
- Seek scan
- Standard grade speakers
- Steering wheel mounted audio controls
- Speed sensitive volume
- Fixed audio antenna
- 8 inch primary display
- AM/FM stereo radio
- In-vehicle audio
- FM radio
- SYNC 4 external memory control
- Speakers number: 6
- SYNC 4 voice activated audio controls
- Wireless audio streaming

Lighting, Visibility and Instrumentation

- Digital/analog instrumentation display
- Trip odometer
- Compass
- Driver information center
- Oil pressure gauge
- Transmission fluid temperature gauge
- Gauge cluster display size (inches): 4.20
- Reflector headlights
- Autolamp auto on/off headlight control
- Delay-off headlights
- Variable intermittent front windshield wipers
- Front reading lights
- Daytime running lights
- * **High mounted center stop light**
- Fade interior courtesy lights
- Configurable instrumentation gauges
- In-radio display clock
- Exterior temperature display
- Tachometer
- Engine/electric motor temperature gauge
- Engine hour meter
- Light tinted windows
- Halogen headlights
- Multiple enclosed headlights
- DRL preference setting
- Illuminated entry
- Variable instrument panel light
- Cab clearance lights
- Remote activated perimeter approach lighting

Technology and Telematics

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Selected Equip & Specs (cont'd)

- SYNC 4 911 Assist emergency SOS system via mobile device
- Smart device wireless mirroring
- FordPass Connect 5G mobile hotspot internet access
- SYNC 4 handsfree wireless device connectivity
- FordPass App mobile app access
- 2 USB ports

Safety and Security

- Driver front impact airbag
- Safety Canopy System curtain first and second-row overhead airbags
- Seat mounted side impact front passenger airbag
- Front height adjustable seatbelts
- Ford Security Package (1-year included with activation) security system
- Lane Departure Warning
- * Rear mounted camera
- Seat mounted side impact driver airbag
- Cancellable front passenger air bag
- 6 airbags
- SecuriLock immobilizer
- Remote panic alarm
- Pre-Collision Assist with Automatic Emergency Braking (AEB) forward collision mitigation
- * Back-up alarm

Dimensions

General Weights

Curb weight	7,298 lbs.	Rear curb weight	3,177 lbs.
*GVWR	19,550 lbs.	*Payload	12,060 lbs.

Trailer Weights

*Fifth-wheel towing capacity	21,200 lbs.	Gooseneck towing capacity	21,400 lbs.
Conventional capacity	18,500 lbs.	GCWR	30,000 lbs.

Front Weights

Front curb weight	4,121 lbs.	*GAWR front	7,500 lbs.
*Axle capacity front	7,500 lbs.	*Spring rating front	7,500 lbs.
Tire/wheel capacity front	7,500 lbs.		

Rear Weights

*GAWR rear	14,706 lbs.	*Axle capacity rear	14,706 lbs.
*Spring rating rear	14,706 lbs.	Tire/wheel capacity rear	15,000 lbs.

Off Road

Min ground clearance	8.6"
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Exterior Measurements

Vehicle body length	253.3"	Vehicle body width	80.0"
Vehicle body height	82.5"	Wheelbase	168.0"
Front brake diameter	15.4"	Rear brake diameter	15.8"



2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Selected Equip & Specs (cont'd)

Rear frame height loaded	29.6"	Rear frame height unloaded	35.0"
Front track	74.8"	Rear track	74.0"
Vehicle turning radius	24.0'	Cab to axle	60.0"
Rear tire outside width	93.9"	Axle to end of frame	47.2"
Frame section modulus	12.7 cu.in.	Frame yield strength (psi)	50000.0
Frame rail width	34.2"	Front bumper to front axle	38.3"
Front bumper to back of cab	146.3"		

Interior Measurements

Max interior rear cargo volume	31.6 cu.ft.	Interior rear cargo volume with seats folded	31.6 cu.ft.
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Interior Volume

Total passenger volume	116.0 cu.ft.
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Headroom

Headroom first-row	40.8"	Headroom second-row	40.3"
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Legroom

Leg room first-row	43.9"	Leg room second-row	33.5"
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Shoulder Room

Shoulder room first-row	66.7"	Shoulder room second-row	65.8"
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Hip Room

Hip room first-row	62.5"	Hip room second-row	64.7"
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Powertrain

Engine

Engine	7.3L V-8 DEVCT variable valve control, engine with 335HP	Valves per cylinder	2
Engine cylinders	V-8	Injection type	sequential MPI
Engine location	Front mounted engine	Ignition	Spark ignition system
Engine mounting direction	Longitudinal mounted engine	Engine block material	Iron engine block
Cylinder head material	Aluminum cylinder head		

Engine Specs

Displacement	7.3L	cc	445 cu.in.
Bore	4.21"	Stroke	3.98"
Compression ratio	10.5	SAEJ1349	AUG2004 compliant

Engine Power

Horsepower	335 HP@3750 RPM	Torque	468 lb.-ft.@3750 RPM
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Alternator

Alternator amps	190A	Alternator type	Regular duty alternator
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2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Selected Equip & Specs (cont'd)

Battery

Battery amps	68Ah	Battery type	HD lead acid battery
Battery rating	750CCA	Battery run down protection	Battery run down protection

Engine Extras

Radiator	Radiator	Auxiliary power take-off	Auxiliary power take-off
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Transmission

Transmission	10-speed automatic	Transmission electronic control	Transmission electronic control
Overdrive transmission	Overdrive transmission	Lock-up transmission	Lock-up transmission
First gear ratio	4.615	Second gear ratio	2.919
Third gear ratio	2.132	Fourth gear ratio	1.773
Fifth gear ratio	1.519	Sixth gear ratio	1.277
Reverse gear ratio	4.695	Seventh gear ratio	1
Eighth gear ratio	0.851	Ninth gear ratio	0.687
Tenth gear ratio	0.632	Stall ratio	1.97
Selectable mode transmission	Selectable mode transmission	Sequential shift control	SelectShift Sequential shift control
Transmission oil cooler	Transmission oil cooler	PTO transmission provision	PTO transmission provision

Drive Type

4WD type	Part-time 4WD	Drive type	Four-wheel drive
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Drivetrain

Axle ratio	4.88
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Exhaust

Tailpipe	Stainless steel single exhaust
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Fuel

Fuel type	regular unleaded
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Fuel Tank

Fuel tank capacity	40.00 gal.
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Drive Feature

* Limited slip differential	Mechanical limited slip differential	Traction control	Driveline managed traction control
Locking hub control	Auto locking hub control	Transfer case	Electronic transfer case shift

Fuel Economy and Emissions

Fuel Economy



2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Selected Equip & Specs (cont'd)

Secondary fuel type Gasoline secondary fuel type

Emissions

Emissions Federal emissions

Suspension and Handling

Suspension

Suspension Firm ride suspension

Front shock absorbers Heavy-duty front shock absorbers

Rear shock absorbers Heavy-duty rear shock absorbers

Driveability

Brakes

Brake type 4-wheel disc brakes

Ventilated brakes Front and rear ventilated disc brakes

ABS brakes Four channel ABS brakes

ABS brakes 4-wheel antilock (ABS) brakes

Brake Assistance

Hill start assist Hill Start Assist

Brake assist system Brake assist system

Front Suspension

Front anti-roll Front anti-roll bar

Suspension ride type front Mono-beam rigid axle front suspension

Front Spring

* HD front springs Heavy-duty front springs

Springs front Front coil springs

Rear Spring

Springs rear Rear leaf springs

Rear springs Heavy-duty rear springs

Rear Suspension

Rear anti-roll Rear anti-roll bar

Suspension type rear Leaf spring rear suspension

* Suspension ride type rear Rigid axle rear suspension

Steering

Steering Hydraulic power-assist steering system
Steering type number of wheels 2-wheel steering system

Steering type Re-circulating ball steering

Exterior

Front Wheels

Front wheels diameter 19.5"

Front wheels width 6"



2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Selected Equip & Specs (cont'd)

Rear Wheels

Rear wheels diameter 19.5" Rear wheels width 6"

Front And Rear Wheels

Appearance argent Material steel

Front Tires

Aspect 70 Diameter 19.5"
Sidewalls BSW Speed S
* Tread AT Type LT
Width 225mm * Front wheel - RPM 645

Rear Tires

Aspect 70 Diameter 19.5"
Sidewalls BSW Speed S
* Tread AT Type LT
Width 225mm * Rear wheel - RPM 645

Body Exterior

Trailer

Towing wiring harness Trailer wiring harness * Towing brake controller Trailer brake controller
Towing trailer sway Trailer sway control

Exterior Features

Number of doors 4 doors * Running boards Running boards
* Skid plate 1 underbody skid plate Front splash guards Front splash guards
* License plate front bracket Front license plate bracket

Body

Body panels Aluminum body panels with side impact beams

Mirrors

Convex spotter Convex spotter in driver and passenger side door mirrors Turn signal in door mirrors Turn signal indicator in door mirrors

Spare Tire

* Spare tire Full-size spare tire with steel wheel * Spare tire location Spare tire mounted on the frame or chassis

Tires

Front tires LT load rating G Rear tires LT load rating G



2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Selected Equip & Specs (cont'd)

Wheels

Dual rear wheels Dual rear wheels

Convenience

Door Locks

Door locks .. Power door locks with 2 stage unlocking	Keyfob door locks Keyfob activated door locks
All-in-one key ... All-in-one remote fob and ignition key	Auto door locks Auto-locking doors

Cruise Control

Cruise control Cruise control with steering wheel mounted controls

Key Fob Controls

Fob remote vehicle controls FordPass Connect smart device vehicle start control

Rear View Mirror

Day/Night rearview mirror .. Day/Night rearview mirror

Exterior Mirrors

Door mirrors Power door mirrors	Folding door mirrors Manual folding door mirrors
Heated door mirrors Heated driver and passenger side door mirrors	

Front Side Windows

First-row windows Power first-row windows

Overhead Console

Overhead console Full overhead console	Overhead console storage Overhead console storage
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Passenger Visor

Visor passenger mirror Passenger visor mirror

Power Outlets

12V power outlets 2 12V power outlets

Rear Windshield

Rear windshield Fixed rear windshield

Storage

Number of beverage holders 8 beverage holders	Beverage holders Front beverage holders
Beverage holders rear Rear beverage holders	Glove box Illuminated locking glove box
Illuminated glove box Illuminated glove box	Instrument panel storage ... Instrument panel covered bin
Dashboard storage Dashboard storage	

Windows Feature



2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Selected Equip & Specs (cont'd)

One-touch up window Driver and passenger one-touch up windows	One-touch down window . . Driver and passenger one-touch down windows
<i>Windows Rear Side</i>	
Second-row windows Power second-row windows	
<i>Miscellaneous</i>	
Trip computer Trip computer	PRND in IP PRND in IP
Upfitter switches Upfitter switches	Accessory power Retained accessory power
Over the air updates Over the air updates	

Comfort

<i>Climate Control</i>	
Climate control Manual climate control	Cabin air filter Cabin air filter
Rear under seat ductsRear under seat climate control ducts	
<i>Headliner</i>	
Headliner material Cloth headliner material	Headliner coverage Full headliner coverage
<i>Floor Trim</i>	
Floor covering Full vinyl floor covering	Floor coverage Full floor coverage
<i>Second-Row Seat Trim</i>	
Rear seat upholstery Vinyl rear seat upholstery	Rear seatback upholstery Carpet rear seatback upholstery
<i>Steering Wheel</i>	
Steering wheel material Urethane steering wheel	Steering wheel telescopic. Manual telescopic steering wheel
Steering wheel tilt Manual tilting steering wheel	

Seats and Trim

<i>Seat Capacity</i>	
Seating capacity 6	
<i>Front Seats</i>	
Front seat type Split-bench front seat	Driver seat direction Driver seat with 4-way directional controls
Driver seat fore/aft control. Manual driver seat fore/aft control	Passenger seat directionFront passenger seat with 4-way directional controls
Split front seats 40-20-40 split-bench front seat	Reclining passenger seat Manual reclining passenger seat
Passenger seat fore/aft control Manual passenger seat fore/aft control	Front head restraints Height adjustable front seat head restraints



2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Selected Equip & Specs (cont'd)

Front head restraint control	Manual front seat head restraint control	Armrests front center	Front seat center armrest
Armrests front storage	Front seat armrest storage	Reclining driver seat	Manual reclining driver seat

Rear Seats

Bench seats	Split-bench rear seat	Rear seats fixed or removable	Fixed rear seats
Folding second-row seats	60-40 folding rear seats	Rear seat direction	Front facing rear seat
Rear seat folding position	Fold-up rear seat cushion	Rear head restraints	Height adjustable rear seat head restraints
Rear head restraint control	Manual rear seat head restraint control	Number of rear head restraints	3 rear seat head restraints

Lumbar Seats

Driver lumbar	Manual driver seat lumbar
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Front Seat Trim

* Front seat upholstery	Cloth front seat upholstery	* Front seatback upholstery	Cloth front seatback upholstery
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Interior Accents

Interior accents	Chrome interior accents
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Gearshifter Material

Gearshifter material	Urethane gear shifter material
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Entertainment Features

Displays

Primary touchscreen display	Primary touchscreen display	Number of first-row displays	2 total number of 1st row displays
Primary display size	8 inch primary display		

Radio Features

External memory	SYNC 4 external memory control	Seek scan	Seek scan
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Speakers

Speakers	Standard grade speakers	Speakers number	6
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Audio Features

Steering mounted audio control	Steering wheel mounted audio controls	Speed sensitive volume	Speed sensitive volume
Voice activated audio	SYNC 4 voice activated audio controls	Wireless streaming	Wireless audio streaming

Lighting, Visibility and Instrumentation

Instrumentation



2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Selected Equip & Specs (cont'd)

Trip odometer	Trip odometer	Instrumentation display	Digital/analog instrumentation display
Configurable instrumentation gauges	Configurable instrumentation gauges		
Instrumentation Displays			
Temperature display	Exterior temperature display	Driver information center	Driver information center
Clock	In-radio display clock	Compass	Compass
Instrumentation Gauges			
Tachometer	Tachometer	Oil pressure gauge	Oil pressure gauge
Transmission temperature gauge	Transmission fluid temperature gauge	Engine/electric motor temperature gauge	Engine/electric motor temperature gauge
Gauge cluster display size (inches)	4.20	Engine hour meter	Engine hour meter
Instrumentation Warnings			
Engine temperature warning	Engine temperature warning	Oil pressure warning	Oil pressure warning
Low fuel warning	Low fuel warning	Low brake fluid warning	Low brake fluid warning
Battery charge warning	Battery charge warning	Headlights on reminder	Headlights on reminder
Key in vehicle warning	Key in vehicle warning	Door ajar warning	Door ajar warning
Service interval warning	Service interval indicator		
Glass			
Tinted windows	Light tinted windows		
Headlights			
Headlights	Halogen headlights	Headlight type	Reflector headlights
Auto headlights	Autolamp auto on/off headlight control	Multiple headlights	Multiple enclosed headlights
Delay off headlights	Delay-off headlights	DRL preference setting	DRL preference setting
Front Windshield			
Wipers	Variable intermittent front windshield wipers		
Interior Lighting			
Illuminated entry	Illuminated entry	Variable panel light	Variable instrument panel light
Front reading lights	Front reading lights		
Lights			
Running lights	Daytime running lights	Interior courtesy lights	Fade interior courtesy lights
Clearance lights	Cab clearance lights	* High mount stop light	High mounted center stop light
Perimeter approach lighting	Remote activated perimeter approach lighting		

Technology and Telematics



2025 F-550 Chassis 4x4 SD Super Cab 168" WB DRW XL (X5H)

Price Level: 525 | Quote ID: 33125-2

Selected Equip & Specs (cont'd)

Connectivity

Handsfree SYNC 4 handsfree wireless device connectivity	Smart device integration Smart device wireless mirroring
Emergency SOS SYNC 4 911 Assist emergency SOS system via mobile device	

Internet Access

Internet access FordPass Connect 5G mobile hotspot internet access
--

USB Ports

USB ports 2 USB ports

Safety and Security

Airbags

Front impact airbag driver ... Driver front impact airbag	Number of airbags 6 airbags
Front impact airbag passenger Cancellable front passenger air bag	Front side impact airbag driver Seat mounted side impact driver airbag
Front side impact airbag passenger Seat mounted side impact front passenger airbag	Overhead airbags Safety Canopy System curtain first and second-row overhead airbags

Seatbelts

Height adjustable seatbelts ... Front height adjustable seatbelts

Security System

Immobilizer SecuriLock immobilizer	Remote panic alarm Remote panic alarm
Security system Ford Security Package (1-year included with activation) security system	

Active Driving Assistance

Lane departure Lane Departure Warning	Forward collision warning Pre-Collision Assist with Automatic Emergency Braking (AEB) forward collision mitigation
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Cameras

*Rear camera Rear mounted camera
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Parking Sensors

*Back up alarm Back-up alarm



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5d
MEETING DATE: 5/13/2025
CONTACT PERSON: Erin Deskins, Town Clerk
ITEM TYPE: Consent Item

AGENDA ITEM TITLE:

Consideration and possible action to appoint applicants to fill vacancies on the Capital Improvement Program Citizen's Advisory Committee (CIPCAC), Parks and Recreation Advisory Board (PRAB), and Board of Adjustment (BOA) per recommendations of the Appointments Subcommittee.

SUMMARY:

The Appointments Subcommittee met on Tuesday, April 15, 2025, to review applications and make recommendations to fill vacancies on CIPCAC, PRAB, and BOA. After review and discussion, the Subcommittee recommends to the Town Council the appointment of the following applicants:

- CIPCAC: Rob Zazueta and Charles Brown
- PRAB: Celia A. van der Molen
- BOA: Michael Ditta

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Approve the recommendation of the Appointments Subcommittee to fill terms on the Capital Improvement Program Citizen's Advisory Committee, Parks and Recreation Advisory Board, and Board of Adjustment.

FISCAL IMPACT?

N/A

ATTACHMENTS:

1.	R Zazueta redacted
2.	C Brown application Redacted
3.	M Schuerman redacted
4.	C van der molen redacted
5.	M Ditta redacted

MAR 11 2025

Sara Burchill

From: noreply@civicplus.com
Sent: Tuesday, March 11, 2025 12:08 PM
To: Clerks
Subject: Online Form Submittal: Application for Public Body Re-Appointment

Clerk's Office
By: *[Signature]* 3:30 p.m.

Application for Public Body Re-Appointment

Public Body Applying For Capital Improvement Program Citizens Advisory Committee

Other Public Body Applying For (not in drop down list) *Field not completed.*

First Name Rob

Last Name Zazueta

Residence Address *Field not completed.*

Mailing Address

Phone Number(s)

Email Address

Are you related to any Town employee No

If yes, what is the employee's name? *Field not completed.*

List any NEW experience, skills, and qualities you would bring to this position. In the past year, I was promoted to Battalion Chief with Fire District, which gives me an Administrative role. This new level of responsibility is providing education and learning in local, state and federal government policies that impact our daily lives

Date Application Submitted 3/11/2025 12:15 PM

Email not displaying correctly? [View it in your browser.](#)

PLEASE BE AWARE THIS MESSAGE CAME FROM A SENDER OUTSIDE THE TOWN!

Erin Deskins

From: noreply@civicplus.com
Sent: Wednesday, March 19, 2025 4:35 PM
To: Clerks
Subject: Online Form Submittal: Application for Public Body Appointment

Application for Public Body Appointment

Step 1

Public Body Applying For Capital Improvement Program Citizens Advisory Committee

Other Public Body Applying For (not in drop down list) *Field not completed.*

First Name Charles

Last Name Brown

Residence Address

Mailing Address

Phone Number(s)

Email Address

Is your residence within Town limits? Yes

How long have you lived in the Chino Valley area? 3 years

Are you a qualified to vote even if not registered? Yes

Are you related to any Town employee No

If yes, what is the employee's name? *Field not completed.*

RECEIVED
MAR 19 2025

Town Clerk's Office
BY: E. Deskins

Step 2

Have you ever served on a municipal public body? If yes, please note the name of the public body, the municipality served in, and length of time served.

No.

Why would you like to be appointed to this position?

My career is in Commercial Property Management. I currently manage 14 properties in Arizona and California, and deal with capital projects, tenant improvements, and building repairs. I've managed office buildings, medical facilities, retail developments, a college campus, an executive office operations, industrial properties and vacant properties and parcels.

What do you believe is the key responsibility of this position?

Advise and recommend appropriate capital investments in the city of Chino Valley. I believe the top priority should be the restoration and maintenance of city streets, especially main arterial streets. But I am very good at prioritizing needs and planning out projects.

What experience, skills, and qualities would you bring to this position?

I've been managing commercial properties for more than 40 years. I have experience in budgets as large as \$60 million in Operating Expenses. I've handled capital improvements such as a major replacement of a 150 ton HVAC unit in a medical building, re-roofing large office buildings, re-paving parking lots, energy efficient programs to replace lighting with energy savings devices and bulbs, working with governmental agencies to attain rebates for energy savings projects, and many other similar projects. See my resume for more details, certifications, and licenses. I am also working on my Arizona Real Estate Broker's License.

To help our review committee get to know you better, please attach a RESUME or SUMMARY of previous training, skills, and experience.

Charles Brown GM Property Mgmt 092224.doc

Date Application Submitted

3/19/2025 4:30 PM

Email not displaying correctly? [View it in your browser.](#)

PLEASE BE AWARE THIS MESSAGE CAME FROM A SENDER OUTSIDE THE TOWN!

PROFILE

- Accomplished senior level Property Management professional.
- Focused and highly organized. Strategic thinker and planner.
- Strong leadership skills and development of large, diverse employee teams.
- Excellent financial skills managing operational and capital budgets.
- Experience with managing all asset classes, including hi-rise office, medical, retail and industrial.

PROFESSIONAL EXPERIENCE

2010- Present **Morlin Asset Management, LP,** Los Angeles, Ca.
General Manager – *Portfolio of properties*

- Property Management for a diverse set clients including medical office buildings, executive office, college campus, retail, industrial, and properties being repositioned. Experienced with both private sector and government owned.
- Manage and approve all budgets, contract vendors and invoices.
- Managed capital and tenant improvement projects.
- Provide Asset Management advisory services to a client with Arizona properties.
- Managed REO properties for a major financial institution.

2009- 2010 **UCLA Real Estate Asset Management,** Los Angeles, Ca.
Consultant

- Provided consulting services for UCLA's Real Estate Asset Management Department.
- Services included a medical office and high-rise office building totaling 450,000 rsf.
- Generated and resolved CAM reconciliations and complex ground lease rents.
- Prepared and managed lease documentation and Occupancy Agreements.
- Reviewed monthly financials with Accounting Department.

2006 – 2009 **Cushman & Wakefield,** Los Angeles, Ca.
Global Portfolio Manager - *Symantec Corporation*

- Managed client's 89 sites totaling 4.6 million rsf in America, Europe, and India.
- Led and developed 3 regional managers, 45 site managers, and 160 employees.
- Generated annual budgets, forecasting and financial reports.
- Provided critical reports on operational conditions and cost savings.
- Interacted with leasing team on renewals and disposition of properties.
- Managed contracts, vendors, and equipment maintenance and replacement.
- Implemented LEED program for owned sites.

2003 – 2005 **Thomas Properties Group,** Los Angeles, Ca.
Director of Property Management - *City National Plaza (formerly ARCO Plaza)*

- Managed a 2.6 million rsf Class A high-rise office property.
- Led a team of 3 managers, 8 office staff, and contract staff of 120.
- Developed annual and 5 year budgets for operations and capital projects.
- Provided monthly reporting and reforecasting to Owner.
- Planned and implemented capital upgrades for the chiller plant and other aging equipment.

1992 – 2003 **Cushman and Wakefield / Premisys**, Los Angeles, Ca.

Premisys acquired by Cushman & Wakefield in 1998

General Manager - ARCO/BP - (1997-2003)

- Provided facilities management services for ARCO's 17 southern California offices and manufacturing sites totaling 980,000 rsf.
- Managed 3 managers and staff of 25 including engineering and facilities.
- Generated monthly reports, annual budgets and forecasting
- Reduced operating expenses \$1.5 million.
- Advised client during corporate downsizing and merger.

Premisys Real Estate Services, Century City, Ca.

Senior Property Manager - Century Plaza Towers - (1993-1997)

- Managed daily operations for 2.2 million rsf Class A high-rise property.
- Managed staff of 20 plus a contract staff of 175.
- Developed annual and 5 year operating and capital budgets.
- Provided complex monthly reports and reforecasting.
- Presented quarterly presentation reports to ownership groups.
- Oversaw capital upgrades for operating systems.
- Oversaw due diligence process during sale of property.

Property Manager – West Century Plaza - (1992-1993)

- Managed 550,000 rsf, FDIC owned Class B property.
- Directed staff of 4 plus contract staff of 25.

1987- 1992 **RCI Industries**, Los Angeles, Ca.

Senior Property Manager- Figueroa Plaza – Overland Plaza, Pasadena

- Managed operations for two Class A office properties totaling 740,000 rsf.
- Coordinated tenant improvement construction.
- Oversaw rent collections, vendor selection, lease administration.
- Developed and managed annual \$10 million operating budget.

EDUCATION

Loma Linda University, Riverside, Ca.
California State University, Los Angeles

B.A. – Communication-Public Address
Post Graduate Studies

PROFESSIONAL DESIGNATIONS

- Certified Property Manager – CPM® (IREM)
- Real Property Administrator - RPA® (BOMA)
- Facility Management Administrator – FMA® (BOMA)
- California Real Estate Sales license
- Past President (2013)- IREM Los Angeles
- Past member on Board of Directors for BOMA Los Angeles
- CERT (Community Emergency Response Team) certified

References Available Upon Request

RECEIVED

MAR 26 2025



CHINO VALLEY

A R I Z O N A

Town Clerk's Office
BY: LA 10:09am.

Town Clerk

202 N. State Route 89
Chino Valley, AZ 86323
Phone (928) 636-2646
clerks@chinoaz.net; www.chinoaz.net

**APPLICATION FOR PUBLIC BODY
APPOINTMENT**

(Council, Commissions, Boards, Committees)

PUBLIC BODY APPLYING FOR:

- | | |
|---|--|
| ☐ Town Council | ☐ Parks & Recreation Advisory Board |
| ☐ Planning & Zoning Commission | ☐ Board of Adjustment |
| ☐ Building Advisory Board | ☒ Capital Improvement Program Citizen's Advisory Committee |
| ☐ Other | |

NAME

Mark Schuerman

RESIDENCE ADDRESS

[REDACTED] Chino Valley, AZ 86323

MAILING ADDRESS

Same

PHONE #s

[REDACTED]

EMAIL

[REDACTED]

IS YOUR RESIDENCE WITHIN THE TOWN LIMITS?

☒ YES ☐ NO

HOW LONG HAVE YOU LIVED IN THE CHINO VALLEY AREA?

→ Did Not Bring ANY California "Crap" with me / Since 8-2018

ARE YOU A QUALIFIED ELECTOR
(qualified to vote even if not registered)?

☒ YES ☐ NO

ARE YOU RELATED TO ANY TOWN EMPLOYEE?

☐ YES ☒ NO

If Yes, what is the employee's name?

Please respond to the questions below.
Attach a separate sheet if necessary.

Have you ever served on a municipal public body? If yes, please note the name of the public body, the municipality served in, and length of time served.

No

Why would you like to be appointed to this position?

To contribute to the responsible care and growth of Chino Valley.

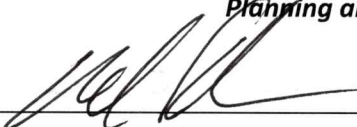
What do you believe is the key responsibility of this position?

To effectively allocate the funds available in a manner consistent with the General Plan and surveys.

What experience, skills, and qualities would you bring to this position?

I have been a senior executive in a medium sized private companies and the owner of my own business, charged with allocating available funds for capital improvements. I am able to maximize the money available in the process.

Please attach a RESUME or SUMMARY of related previous experience, if applicable (REQUIRED for Planning and Zoning Commission & Board of Adjustment).


SIGNATURE

3-25-25
DATE

Office Use Only:

Appointment Date:	Term Start:	Resignation/Term End:
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Return application to Town Clerk's Office, 202 N. State Route 89, Chino Valley, or
email scanned application to clerks@chinoaz.net

Received

MAR 12 2025



CHINO VALLEY

A R I Z O N A

Clerk's Office
By: *[Signature]* 1:38 p.m.

Town Clerk

202 N. State Route 89
Chino Valley, AZ 86323
Phone (928) 636-2646
clerks@chinoaz.net; www.chinoaz.net

APPLICATION FOR PUBLIC BODY RE-APPOINTMENT

(Council, Commissions, Boards, Committees)

TO: MAYOR AND COUNCIL

RE: EXPIRATION OF PUBLIC BODY TERM

SUBJ: My term on the public body indicated below is expiring. I am requesting re-appointment for another term.

- | | |
|---|---|
| ☐ Town Council | ☒ Parks & Recreation Advisory Board |
| ☐ Planning & Zoning Commission | ☐ Board of Adjustment |
| ☐ Building Advisory Board | ☐ Capital Improvement Program Citizen's Advisory Committee |
| ☐ Other | |

NAME Celia A. van der Molen

RESIDENCE ADDRESS

MAILING ADDRESS

PHONE #s

EMAIL

List any **new** experience, skills, and qualities you would bring to this position

I am currently working with TOCV Departments on the (3) separate projects that link to Parks and Recreation:

(1) The landscape section of the Town Wide Intergrated Water Master Plan

(2) The Landscape Zoning Code update

(3) The design and construction documents of Center Street Park, CC Phase 3 and Appaloosa Meadows Park

5d110fce-07db-492e-ad4e-c789b8455a1e

Digitally signed by 5d110fce-07db-492e-ad4e-c789b8455a1e
Date: 2025.03.12 12:28:57 -07'00'

3-12-25

SIGNATURE

DATE

Return application to Town Clerk's Office, 202 N. State Route 89, Chino Valley, or
email scanned application to clerks@chinoaz.net

Office Use Only:

Appointment Date:

Term Start:

Resignation/Term End:

From: noreply@civicplus.com
Sent: Thursday, March 13, 2025 9:00 PM
To: Clerks
Subject: Online Form Submittal: Application for Public Body Re-Appointment

Application for Public Body Re-Appointment



Public Body Applying For *Field not completed.*

Other Public Body Applying For (not in drop down list) *Field not completed.*

First Name Michael

Last Name Ditta

Residence Address

Mailing Address

Phone Number(s)

Email Address

Are you related to any Town employee No

If yes, what is the employee's name? *Field not completed.*

List any NEW experience, skills, and qualities you would bring to this position. Over the last 4 years, I have gained a better knowledge of the Town's activities, the Town personnel and what the attitude of the Town's constituents are.

Date Application Submitted 3/13/2025 9:00 PM

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TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5e
MEETING DATE: 5/13/2025
CONTACT PERSON: Erin Deskins, Town Clerk
ITEM TYPE: Consent/Minutes

AGENDA ITEM TITLE:

Consideration and possible action to approve the March 25, 2025, study session and regular meeting minutes.

STAFF RECOMMENDATION:

Approve the March 25, 2025, study session and regular meeting minutes.

ATTACHMENTS:

1.	2025 03 25 CC SS RG MND wWM
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**MINUTES OF THE STUDY SESSION AND
REGULAR MEETING OF THE
TOWN COUNCIL OF THE TOWN OF CHINO VALLEY
TUESDAY, MARCH 25, 2025**

5:00 PM

**COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY,
ARIZONA 86323**

STUDY SESSION

1. CALL TO ORDER; ROLL CALL

Mayor Armstrong called the meeting to order at 5:06 p.m.

Present: Mayor Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

Absent: Vice-Mayor Eric Granillo

Staff Present: Town Manager Terri Denemy, Town Attorney Andrew McGuire - remote, Development Services Director Laurie Lineberry, Assistant Development Services Director Will Dingee, Finance Director Katie Pehl, Public Works Director/Town Engineer Frank Marbury, Police Chief Josh McIntire, Lieutenant Randy Chapman, IT support Technician Sandra Santos, Audio Visual Technician Nicholas Harwick, Deputy Town Clerk Sara Burchill

2. Arizona Public Service (APS) representatives Frank Sanderson, Northern Division Director, and Darla Deville, Community Affairs Manager NW Division, regarding the Public Safety Power Shutoff Program.

Frank Sanderson, APS Northern Division Director, presented the following:

- He presented on the work APS was doing to help prevent wildfires, including vegetation management, grid hardening investments, asset inspection, monitoring and awareness, and operational mitigation.
- Cameras and weather stations were positioned throughout the service area to provide robust monitoring and modeling of events.
- Public Safety Power Shutoffs (PSPS) would be employed with advanced notice when fire-risk conditions increased. However, Chino Valley was not in a PSPS zone.
- APS has employed several measures to pinpoint where problems may be occurring to ensure customer safety and get power restored.

Council and Mr. Sanderson discussed the following:

- Councilmember Switzer was not a fan of the PSPS program and inquired what the typical downtime was.

- Mr. Sanderson stated that they had not needed to utilize that program yet within their system. They estimated that 20 hours would be on the high end because the wind did not typically last that long.
- Mayor Armstrong inquired if there was public access to APS's weather stations.
 - Mr. Sanderson stated that he would have to check on that.

Ashley Ahlquist, Yavapai County Emergency Manager, presented the following:

- Discussed ways Yavapai County prepared for APS's PSPS program.
- Local agencies met to discuss what it would look like if there was a PSPS. What if it was coupled with a lack of resources due to fires in other areas, etc.

3. **Presentation and update from Joshua McIntire, Chief of Police, on Evacuation Software and Emergency Alert System.**

Josh McIntire, Chief of Police, presented the following:

- Gave a brief history of emergency management preparation within the Town.
- Staff was looking for new ways to engage the public in emergency notifications to reduce delays in getting a message out.

Randy Chapman, Lieutenant, presented the following:

- He discussed the RAVE Mass Notification System. They were not using the system yet as they were preparing to do a media push to get citizens signed up for it.
- This would allow Chino Valley personnel to quickly put out a message to any citizens signed up for the program.
- He gave a brief demonstration on the program.

Josh McIntire, Chief of Police, presented the following:

- He discussed the Genasys EVAC system for evacuation planning and execution, and how the program would help facilitate partnership with the County.
- Discussed how people could sign up and find their zone, their plans for public roll-out and news releases.

Council and staff discussed the following:

- Councilmember Switzer inquired if RAVE was a separate system from what the County or Sheriff's office used, so there would be three different systems to sign up for.
 - Staff stated that was correct.
 - Councilmember Switzer stated the different programs and changing programs gets confusing for the public.
 - Staff stated the County would be moving to RAVE as well.
- Councilmember Holt inquired if RAVE provided geographical mapping.
 - Staff stated that it does. They could select a location and then place a distance of how far out to notify the public. This way, when something happens at the south end of Town, people at the north end of Town don't have to receive a notification about something that would not affect them.

- Councilmember McCafferty inquired if patrol officers could use RAVE, or if it had to go to leadership.
 - Staff stated the sergeants and field training officers would have permission to put out notifications.
- Councilmember McCafferty inquired if they intended to use RAVE for law enforcement purposes, such as keeping people from traveling through a certain area.
 - Staff stated that was correct.
- Councilmember McCafferty inquired if RAVE would be linked with Mutual Link used by the schools.
 - Staff stated those were separate platforms and Mutual Link was specifically for school personnel to use.
 - Councilmember McCafferty inquired if notices would go out on both.
 - Staff stated that if there was an incident at a school, they would notify the public that way also.
 - Staff stated that if there was a reason they could not get the message out, they could contact the County and have them post on Chino Valley's platform.
- Councilmember Switzer inquired if Chino Valley was currently covered under Yavapai's Genasys EVAC system.
 - Ms. Ahlquist stated that the County did not purchase anything for the incorporated jurisdictions. Local jurisdictions need to have control over how they run their evacuations. Discussed how it was used during the Brady fire and stated that it created seamless communication between YCSO and the Emergency Management.

4. ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Councilmember Robert Schacherer to adjourn the meeting at 5:59 p.m.

AYE: Mayor Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

6 - 0 Passed – Unanimously

REGULAR MEETING

1. CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL

Mayor Armstrong called the meeting to order at 6:08 p.m. and led the Pledge of Allegiance.

Present: Mayor Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

Absent: Vice-Mayor Eric Granillo

Staff Present: Town Manager Terri Denemy, Town Attorney Andrew McGuire - remote, Officer Scott Unterseher (Sgt. at Arms), Development Services Director Laurie Lineberry, Assistant Development Services Director Will Dingee, Senior Planner Jessica Barragan, Finance Director Katie Pehl, Public Works Director/Town Engineer Frank Marbury, Police Chief Josh McIntire, Lieutenant Randy Chapman, Community Services Director Cyndi Thomas, IT Support Technician Sandra Santos, Audio Visual Technician Nicholas Harwick, Deputy Town Clerk Sara Burchill

Mayor Armstrong asked for a moment of silence for the recent passing of Vice-Mayor Granillo's brother.

2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a. Presentation from Susie Jarvis, citizen, regarding new pickleball courts for the Town of Chino Valley.

Mary Kelly, Chino Valley Pickleball Association (CVPA) Secretary, presented the following:

- Various board members would be presenting different topics regarding pickleball.
- Presented the objectives of their presentation.

Susie Jarvis, Chino Valley Pickleball Association President, presented the following:

- Outlined reasons to have pickleball in Chino Valley and how it fits in with Council's strategic priorities and goals.
- Provided stats regarding pickleball.
- Listed health benefits of playing pickleball.
- Gave a list of financial and strategic reasons to install pickleball courts.

Steven Rachner, Chino Valley Pickleball Association Member at Large, presented the following:

- He provided specifics on pickleball court construction for eight new courts. Several construction proposals were acquired and provided to Council and are attached to these minutes.

Kathy Hill, Chino Valley Pickleball Association Treasurer, presented the following:

- She discussed ways that the Town and Association could partner, support, advocate, and promote the building of new pickleball courts.

Sondra Bueoy, Chino Valley Pickleball Association Vice President, presented the following:

- She discussed what Chino Valley recreation and commerce could look like with new pickleball courts bringing people in to eat, shop, and stay overnight.

Mary Kelly, Chino Valley Pickleball Association Secretary, presented the following:

- Gave a brief review of all the topics discussed and asked the Council to let them know what they could do to bring the project to fruition.

Council and CVPA discussed the following:

- Councilmember McCafferty stated that he had been supporting new pickleball courts for the last three years.

Mayor Armstrong thanked them for their presentation, expressed his support, and asked the Town Manager to plan a study session regarding constructing pickleball courts.

b. Discussion and presentation by Katie Pehl, Finance Director, regarding the reduced tax rate on manufactured building sales.

Katie Pehl, Finance Director, presented the following:

- Council had requested to discuss the tax rate on manufactured buildings and the impact the reduced rate had on the Town.
- The current rate was 2% while the regular retail rate was 4%.
- Provided statute on why the fiscal impact could not be disclosed.
- Gave a brief history of the tax on manufactured buildings in Chino Valley.
- Provided a list of other communities' building tax rates. Most had a tax rate that matched their retail rate. Four communities had lower rates (Chino Valley being one), two communities had higher rates.
- The average rate for manufactured buildings across the state was 2.784%.
- The rate of manufactured building sales was based on the selling location.
- Gave a list of the pros and cons of increasing the rate.
- Discussed the options that Council could take regarding this tax rate.

Council and staff discussed the following:

- Councilmember Holt stated that he didn't see why the Town was giving the industry a break. Stick-built houses had to pay the full 4% tax rate on all the materials.
- Staff stated there were some discounts for construction contracting, but essentially they paid the higher rate.
- Councilmember Switzer inquired what the sales tax was for lumber in other areas like Prescott, Prescott Valley, and the County.
 - Staff stated it was dependent on where the materials were purchased.
 - Councilmember McCafferty inquired what the rate was for County.
 - Staff stated there wasn't one.
 - Councilmember McCafferty inquired if there were numbers regarding the ratio of manufactured homes to stick-built homes.
 - Staff stated that year to date the Town had nine manufactured home permits compared to 42 site-built homes. However, that does not mean the homes were purchased from a seller within Chino Valley.
 - Councilmember McCafferty inquired if staff thought the Council should revisit a higher rate.
 - Staff stated they thought it would be beneficial to pursue looking at an increased rate but perhaps staying below what the neighboring communities were charging. Any increase would include a public hearing which would give any interested businesses to speak to Council regarding the matter.
- Mayor Armstrong asked the Town Manager to look into the matter further.

3. CALL TO THE PUBLIC - Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism. Public comment is invited and encouraged, however, personal attacks on individuals is not appropriate. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity, and disruptive discussions among our audience.

Patricia Rendon, Town of Chino Valley resident, presented the following:

- She had questions for the Council including:
 - Is there an agreement on file that sends water to Prescott?
 - Will we see fires like California just saw since the lakes are being drained?
 - What is the Council's position on over-development with the Town's current state of water levels dropping? She wondered what the limit was?
 - Is Paulden's water also going to go to Prescott?
 - Who should she speak to with regard to preserving the existing water to preserve the farms and ranches that are already here, and keep the community rural?

Mayor Armstrong stated that they could not respond to questions during Call to the Public and referred Ms. Rendon to the Town Manager for resources.

Larry Yentes, not a Town of Chino Valley resident, presented the following:

- He agreed with Ms. Rendon's sentiments regarding water.
- He referred to an article in the newspaper regarding Council approving water loans and inquired why they were applying for a loan, and should instead get a grant. He stated that he had served on boards and was a funds manager and encouraged Council to stay within budget and not to strap the citizens with a loan.
- He stated that he was not a resident of Chino Valley but represented people who owned property in Chino Valley.

4. CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

- a. Status reports by Mayor and Council regarding current events.

Councilmember Holt presented the following:

- He encouraged everyone to keep the families of recent tragedies in their thoughts.
- b. Status report by Town Manager Terri Denemy regarding Town accomplishments, and current or upcoming projects.

Terri Denemy, Town Manager, presented the following:

- Escrow closed on the historic Fred Harvey buildings. Next, the Town would work on securing the buildings from further deterioration and finding partners and funding for restoration.
- The Town was seeking volunteers to serve on the Board of Adjustment, Capital Improvement Program Citizen's Advisory Committee, and the Parks & Recreation Advisory Board. Those interested could contact the Clerk's office or go to the website for information.
- The Territorial K-9 stroll would be held on March 29th at 10:00 a.m. starting at Memory Park. Proceeds would go to the Chino Valley Police Department K-9 program. Registration was \$25.
- Ms. Denemy, Mayor Armstrong, and former Mayor Miller met with Prescott and Yavapai County to discuss regional water solutions. Their meeting with Prescott Valley was coming up in the next two weeks.
- Drew Ryn, Chino Valley resident, auditioned for American Idol and was moving on to Hollywood. Encouraged everyone to tune in and support her.

5. CONSENT AGENDA

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

MOVED by Councilmember Larry Holt, seconded by Councilmember Robert Switzer to approve Consent Agenda items a – d.

AYE: Mayor Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

6 - 0 Passed – Unanimously

- a. Consideration and possible action to authorize the Police Department to apply for and expend grant funding from the Arizona Governor's Office of Highway Safety.
- b. Consideration and possible action to approve the February 5, 2025, study session minutes.
- c. Consideration and possible action to approve the February 11, 2025, study session and regular meeting minutes.

- d. Consideration and possible action to approve the February 25, 2025, study session and regular meeting minutes.

6. ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

- a. Public hearing, consideration, and possible action to approve Resolution No. 2025-1281, a conditional use permit for Olsen's Events to continue the existing rodeo use and to allow additional outdoor recreational activities at 344 S. State Route 89, Chino Valley, Arizona.

Recommended Action: Approve Resolution No. 2025-1281 a conditional use permit for Olsen's Events to continue the existing rodeo use and to allow additional outdoor recreational activities.

Will Dingee, Assistant Development Services Director, presented the following:

- Gave a history of Olsen's Arena and its related Conditional Use Permit (CUP).
- Gave details on the location of the subject property.
- The subject property held two zoning classifications, including Commercial Light and Agricultural Residential 5 Acre Minimum (AR5).
- Gave a list of CUP permitted uses for AR5, including privately owned and operated recreational facilities, rodeo grounds, livestock auctions, fairgrounds, and riding academies. Outright permitted uses include private rodeo arenas which also allow for lighting and PA systems.
- Gave a list of the surrounding locations and their designations.
- Neighboring property Triple 3 Farms holds a CUP since 2002 under Ordinance 487 to hold rodeos and weddings. They employed the use of arena lighting and a PA system. Hours of operation for those items were between 8:00 a.m. and midnight.
- Gave a list of events Olsen's held in 2024 and the events they were proposing.
- There was an error in the staff report regarding holding weddings. Olsen's was not proposing to hold weddings.
- Gave details on the outcome of the neighborhood meeting held on January 28, 2025.
- Reviewed the concerns presented to staff, including traffic, noise, and lighting, and discussed the mitigation measures taken for each of those concerns.

Council and staff discussed the following:

- Councilmember Schacherer inquired about dances and if the decibel levels would be louder in those cases.
 - Staff stated they assumed it would be, but under Condition 6, Olsen's was limited to 60 decibels at the southern property line.
- Councilmember Schacherer stated that he felt the western driveway was kind of thin and thought it might be an issue for trucks pulling trailers and trying to pass each other traveling in opposite directions.
 - Staff stated they had not heard of any concerns about that, and they had been functioning with both entrances for some time.

- Councilmember Switzer inquired about the width of the entrance.
 - Staff stated that it was a little over 30 feet.
 - Councilmember McCafferty stated that it frequently happens at horse events that an entrance was a little narrow and the drivers just time it.
- Councilmember Holt stated that there were two event centers less than 500 yards from each other, and one could go to midnight and the other could only go to 11:00 p.m. He felt that was a conflict.
 - Staff stated that recommendation was following what the current lighting ordinance said which was that Class 1 lighting (which has no definition but talks about recreation facilities and arenas) be off by 11:00 p.m. and was recommended by Planning & Zoning (P&Z).
- Councilmember Switzer inquired if the current code was up for revision as far as the lighting and noise ordinance.
 - Staff stated Council would be seeing a noise ordinance before the UDO revision. The noise ordinance was housed in Town Code and would come directly to Council without going through P&Z. Staff hoped to start their dark sky ordinance process before the UDO update.
 - Councilmember Switzer inquired if this CUP would have to adhere to any new ordinance.
 - Staff stated that it would only have to adhere to the ordinances currently on the books at the time of approval unless Council stipulated differently.
- Councilmember McCafferty inquired if the CUP was in perpetuity or if it would come back for review in a few years.
 - Staff stated the intent was in perpetuity, but Council could add a review period to provide a status update.
 - Councilmember McCafferty inquired if it was an unreasonable request to review the CUP in a year or two, assess the complaints, and see if there needed to be any revisions.
 - Staff stated that if they received any complaints specific to violations of what was in the conditions, they would be brought to Council for review and leans into revocation. Olsen's had operated since 2017 and were just asking for additional uses. It was up to Council if they wanted a status update.
 - Councilmember McCafferty thought it might be a good idea because of Triple 3 Farms having a CUP in perpetuity based on 2002 standards.
 - Staff stated that Triple 3 Farms had a 25-year CUP which will be up for review and potential renewal in 2027.
- Mayor Armstrong inquired when the Fairwood Common CUP would expire. He felt it would be a traffic concern when it opened.
 - Staff stated they did not have that date on them.
- Mayor Armstrong inquired if the after picture of the lighting was also from the property owner.
 - Staff stated it was taken by Olsen's at their southern property line.
 - Mayor Armstrong stated that he spent a lot of years rodeoing, and he wouldn't want a dark spot right in front of an arena where a bull is going.

Council and Applicant, Mike Olsen, discussed the following:

- Councilmember Schacherer inquired if there would be any practice runs conducted by the dirt bikes before the events.
 - Mr. Olsen stated that they do not allow any participants on bikes to ride around the parking lot or the property at all. They are only allowed to ride into the arena, around the barrels, and then out of the arena. Last year's dirt bike event was well handled by the parents.
- Councilmember Holt inquired if the dirt bikes had to adhere to the same noise ordinance as everyone else.
 - Mr. Olsen stated that there was a provision that there might be short bursts that go over the decibels (such as in mounted shooting and dirt bike runs) but those events would be restricted to daytime hours.
- Councilmember McCafferty inquired about the operation of the dirt bike barrel races.
 - Mr. Olsen stated that a dirt bike and horse team up to see who could run the course the fastest.
- Mayor Armstrong gave parameters for public comment and opened the Public Hearing.

Cathy Middlested, Town of Chino Valley resident, presented the following:

- She expressed support for the CUP for Olsen's.
- She thought Olsen's and staff had done a good job of mitigating issues expressed by the neighbor.
- She felt that the events would bring people in from other areas and generate tax dollars for Chino Valley.
- She supported wholesome activities for kids and encouraged Council to approve the CUP.

Pat Pehl, not a Town of Chino Valley resident, presented the following:

- She was previously a resident of Chino Valley and she was delighted to have a nice facility to hold events so residents no longer have to travel all over the state.
- She encouraged Council to approve the CUP.
- She stated that the country included noise from motorcycles, barking dogs, and roosters.

Lila Pierce, Town of Chino Valley resident, presented the following:

- She had been participating in Olsen's events since 2017.
- Olsen's provides a professional, safe, and enjoyable place, whether competitor or spectator, and they provide a wide range of events for any skill level.
- She stated many benefits of the events, including enhancing skills and earning scholarships.
- She outlined some of the rules and regulations for safety and manners for the competitors.
- She stated some benefits of the event, including visitors utilizing the restaurants and hotels to bring funds to the community.

David Beckman, not a Town of Chino Valley resident, presented the following:

- He had been using Olsen's arena for mounted shooting (which is only held during daylight hours) and agreed with everything that had already been said.

Bonnie Moreau, Town of Chino Valley resident, presented the following:

- She was representing Horses with Heart, which had partnered with Olsen's for their 33 years of operation and was in support of the CUP.
- She encouraged Council to approve the CUP.

Cheryl Secorder, Town of Chino Valley resident, presented the following:

- Stated that they moved to Chino Valley for country quiet and loved going to the Olsen's farmers market.
- She stated that last summer when she visited Olsen's she learned that they had bright lights until midnight with noise.
- She stated that she would not want an event center to pop up by her house as the noise would be terrible, and it would devalue her home. She felt the Town should have more consideration in its permitting process and the impact on nearby homes.

Craig Conant, Town of Chino Valley resident, presented the following:

- He stated that there were many people in Chino Valley that did not attend Olsen's events and would not appreciate an event arena with bright lights and noise opening next to their homes.
- He stated that if it were opened near a planned housing development there would be an entire neighborhood demanding consideration.
- He wouldn't be happy with this kind of activity happening near his home.
- He hoped this would be handled in a thoughtful way if there were homes being impacted.

Kim Hennessey, Town of Chino Valley resident, presented the following:

- She stated that there was a misconception that she did not want Olsen's events, but that wasn't true. Up until 2023 they had ropings and there were no issues. After that, the sound became louder and came into her house and took away the quiet enjoyment of her home. She presented a picture showing the distance from the center of the arena to her house which is attached to these minutes.
- She stated that if it was true that the decibel levels would be kept to the level of a conversation, she would accept that and look to the Council to ensure that promise is kept. However, if it was true then there was no need for the Council to amend Ordinance 131.01 as staff was asking them to do for Olsen's.
- Her reason for attending was to mitigate what had been happening over the last couple of years with the sound and how late the events run. She worked full-time, and it was hard to sleep with the sound and all the lights on.

Shirley Galbreath, Town of Chino Valley resident, presented the following:

- She stated that the decisions Council made impact people.

- She stated that many people she talked to cringed at the idea of a rodeo so close to their home, but that is what was happening to the Hennessey's.
- She referred to Chino Valley Ordinance 131.01 stating the sound from an amplification system should not be audible from a distance of 50 feet. Olsen's mentioned decibels, but there was no mention of it in Town Code. She stated that Olsen's was asking for a waiver of the ordinance and without a waiver they would have to change the ordinance. She inquired if any member of Council had observed the noise level from 50 feet during an event at Olsen's.
- She expressed concerns about traffic on Road 1 South and potential damage to the road due to excess traffic and did not feel the CUP should be approved if the Town did not have funds for maintenance of the road.
- She stated that if the CUP were passed it should be limited to one-year for renewal.
- She stated that if this CUP were passed there would be more that followed.

Shawn Russell, not a Town of Chino Valley resident, presented the following:

- Although she lived in Paulden, her money was spent in Chino Valley.
- She felt that forcing Olsen's to use their private drive was not a good idea and didn't feel it would make any difference, as people would either have to travel in front of the neighbor's house, or down the side of her house, and swing wide in any case. She stated that the road going down the side of the neighbor's house was safer.
- She did not agree with a review or limit on the CUP. She stated that what was good for Triple 3 Farm is good for Olsen's. She stated Triple 3 Farm also held weddings which used PA systems, and it wasn't fair to have rules for one and not the other.
- She felt it was not right to disenfranchise a lot of people over one person's complaint. She stated that Olsen has spent a lot of money to meeting the neighbor's demands, but the neighbor has not done anything to help compromise, and slanders Olsen's on Facebook.

Council and staff discussed the following:

- Further discussion ensued regarding the entrances and their width.
- Councilmember Switzer inquired if CAFMA had been involved.
 - Staff stated they were sent comments and Olsen's would have special event permitting through CAFMA.
 - Councilmember Switzer inquired if CAFMA was aware of the ingress, egress situation.
 - Staff stated CAFMA received the same application packet Council received and there were no specific comments on that matter.
- Councilmember Holt inquired why they couldn't use the Hwy 89 entrance.
 - Staff stated that ADOT wanted traffic studies and to look into the light, etc.
- Councilmember Switzer asked staff to bring up Ordinance 131.01 and read it. That ordinance is attached to these minutes.
 - Councilmember Switzer clarified that there is no mention of decibel in the ordinance.
 - Staff stated that was correct. They added the decibel as part of the conditions within the Resolution.

- Councilmember Switzer stated that he didn't feel the CUP should say anything about decibels, rather the Ordinance should be followed and enforced as written.

Council and Applicant, Mike Olsen, discussed the following:

- Mr. Olsen stated the proposed primary access was a dedicated easement and is not his private driveway. He stated it is 30 feet as is the entrance to Olsen's grain. The difference being that nothing has been developed and so it was wider because there was nothing yet to act as a barricade on the east.
- Mr. Olsen was concerned about the sound because if they could not amplify sound, they could not operate.
 - Councilmember Switzer stated they could amplify, but it couldn't be heard beyond 50 feet.
 - Mr. Olsen stated they were operating on five to eight acres with participants spread out and they needed to be able to hear when their turn was up in the rotation. 50 feet was very restrictive in a rodeo event which is allowed under the CUP and the zoning code.
 - Councilmember Switzer clarified that the applicant is asking for a variance of the code.
 - Mr. Olsen stated that staff explained to him that the ordinance was a police ordinance and the police chief did not have a concern regarding that ordinance and there have been references that the ordinance needs to be addressed.
 - Councilmember Switzer stated that's why he felt Olsen's should be held to any new revisions of the UDO. It also states on a case-by-case basis to allow an exemption of the ordinance. If the police had to make an assessment and enforced the ordinance, that is what would prevail.
 - Mayor Armstrong pointed to and read Condition 6 and stated that he felt it was clear on what could and could not be done.
 - Councilmember Switzer stated that it alters the code.
 - Mayor Armstrong stated that's what a CUP does. He asked the Town Attorney if they could hold Mr. Olsen to what might be changed in the future.
 - Staff stated the Town Attorney was having connection issues and would have to get back to Council with an answer on that.
 - Mr. Olsen stated they were in agreement with the conditions of the CUP.

Monty Lira, Town of Chino Valley resident, presented the following:

- He had been a resident for over 20 years.
- He was in favor of the events.
- He felt the traffic on the highway was louder than events at Olsen's.

Donna Armstrong, Town of Chino Valley resident, presented the following:

- She stated that most of the events were kids' functions. Everyone says that the Town needs more kids' events.

- She stated that Olsen's has supported the Town and it would be nice if the community helped them.

Mayor Armstrong closed the Public Hearing.

MOVED by Councilmember John McCafferty, seconded by Councilmember Robert Schacherer to approve Resolution No. 2025-1281 a conditional use permit for Olsen's Events to continue the existing rodeo use and to allow additional outdoor recreational activities.

AYE: Mayor Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

6 - 0 Passed – Unanimously

- b. Consideration and possible action to approve Resolution No. 2025-1280 approving the Intergovernmental Agreement with the Yavapai County Community College District for the construction of water and wastewater improvements.

Recommended Action: Approve Resolution No. 2025-1280.

Terri Denemy, Town Manager, presented the following:

- Gave details about the project to extend sewer from the treatment facility to college-owned land. They were already a water customer.

Frank Marbury, Public Works Director, presented the following:

- Presented a map showing the path of the proposed sewer main over approximately 2,300 feet.
- Gave a list of project specifications. The proposed 8" sewer line should meet the needs of any future connections in that area. The college currently used about 500 gallons of water per day, therefore staff believes they can still serve the college with the system.
- Gave a breakdown of the cost of the proposed project versus a septic installation.

Terri Denemy, Town Manager, presented the following:

- Initially, Yavapai College thought they could fund this project on their own. They went to WIFA to get some grants, but could not qualify. At that point, they informed the Town that they would not move forward with the IGA and would instead install septic.
- Understanding that the partnership with the college was important, and that Council had certain priorities, staff looked at what they could do to move the project forward for Council's consideration.
 - The college stated that they would be willing to go up to \$300,000 in investment to make the sewer connection. This all happened within three days of agenda publishing.

- Gave a breakdown of cost for each party. There would be about \$429,000 left in the contingency fund for the remainder of the year after funding this project.
- Provided details on the timing of the project and the Council's decision.
- Referred to A.R.S. § 34-462 which exempts community colleges from complying with the Town's ordinance requiring commercial to hook up to Town utilities.
- Gave a list of pros and cons of the project.
- Representatives from the college were present to address any questions.

Council, staff, and Yavapai College representatives discussed the following:

- Councilmember Schacherer inquired why they would be using eight-inch pipe when 18-inch pipe was used from Road 3 South to Road 4 South.
 - Staff stated they looked at the capacity of eight-inch pipe and felt that any upsizing was not needed here. 5,000 gallons per day was five to 10% of the capacity of the pipe. The 18-inch pipe was needed down Road 3 South due to the acreage behind Grace Baptist Church and the commercial properties around Road 4 South.
 - Mayor Armstrong inquired if the 18-inch pipe going south included the 500 acres on the other side of Grace Church for development.
 - Staff stated that was correct, including the commercial properties around Road 4 South.
- Councilmember Schacherer inquired why the cost was so cheap. The Town paid \$998,000 for 2,100 linear feet of 18-inch pipe. This project was 2,290 feet for about half the price.
 - Staff stated that smaller pipes meant smaller diameter manholes, the holes wouldn't have to be as deep, etc.
 - Councilmember Schacherer inquired if the properties south of Rodeo Drive would be able to hook into the eight-inch pipe to save money on such a project in the future.
 - Staff stated the project mentioned had included water, sewer, and street improvements. The sewer portion was about \$500,000. They would still need a line in Rodeo Drive to serve those properties. There was a 2,000-foot difference north and south between the proposed line and Rodeo Drive. The elevation was flat, running north and south. Staff looked at trying to run the college sewer down the paved road at Old Home Manor and then Rodeo, but it wouldn't work elevation-wise without a lift station, which could triple or quadruple the cost of the line. Staff stated that they did not find it unreasonable to have sewer lines running parallel half a mile apart.
 - Councilmember Holt inquired how much the Town would receive in fees per month.
 - Staff stated they would receive about \$2,500 per month.
 - Councilmember Holt stated it would take 11 years to recover what staff was proposing to put into this project.
 - Staff stated that was correct unless the College put in other buildings or housing in the coming years. This timeline was calculated at the current rates.
 - Councilmember Switzer inquired if the property ending in 001S just north of the sewer line was part of the Business Park.
 - Staff stated that was correct.

- Councilmember Switzer asked for verification that the eight-inch pipe would be sufficient for anything built on that property.
 - Staff stated they couldn't answer that without knowing the highest and best use.
 - Councilmember Switzer inquired if the location of the sewer main would potentially prohibit any future plans for that parcel.
 - Staff stated it would depend on what was put there, and they would likely have several lines running through it.
 - Councilmember Switzer inquired if the college had any plans to do anything other than the proposed project.
 - James Crocket stated that they had talked with staff about various possibilities but had no current plans. For this project, they would be starting with 16 RVs to be completed by July for students in immediate need, then transition them to tiny homes over the next couple of years. Build out would be 40 tiny homes.
- Councilmember McCafferty inquired if the proposed sewer line would facilitate the development of the Business Park and inquired if it would be better to oversize it in preparation. He also inquired about tabbing out the line to make expansion easier.
 - Staff stated they could tap into the line, but they would have to confirm the need for lifting due to elevation.
 - Councilmember McCafferty stated that he didn't have a problem with spending money for economic development. However, he wanted to do it in a way that would benefit the school and the Town to make the surrounding properties more marketable.
 - Staff discussed the gallon-per-day capacity of an eight-inch line and it could likely handle 50,000 gallons per day.
 - Council and staff further discussed ways that new development might tap into the proposed sewer lines as well as difficulties that might be present.
 - Mr. Crocket stated that they had a 12-inch design and further discussed the reasons they went with the eight-inch line. The difference was about \$55,000. Civiltech penciled out the project and said that about eight inches was all they'd ever need.
 - Councilmember McCafferty asked for more details on the contingency funds and where they were coming from.
 - Staff stated they were General Fund contingency that is budgeted every year for any unknown expenses. If it weren't spent, it would stay in the General Fund.
 - Councilmember Switzer inquired if there were any possibilities for WIFA.
 - Staff stated that it was not possible for this project due to the time constraint.
 - Councilmember McCafferty stated that he initially felt some reluctance on this item, but the Town has to spend money to make money, and the Town needed to invest in capital improvements and infrastructure to make OHM marketable.
 - Councilmember Switzer agreed, but felt it only helped marginally.

- Councilmember Holt stated that the college was getting about \$2.7 million from Chino Valley citizens via taxes, and now they want the Town to pay 53% of the project, and he didn't feel it was fair to the citizens.

MOVED by Councilmember John McCafferty, seconded by Councilmember Sherri Phillips to approve Resolution 2025-1280 approving the Intergovernmental Agreement with the Yavapai County Community College District for the construction of water and wastewater improvements.

AYE: Mayor Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Switzer

NAY: Councilmember Robert Schacherer, Councilmember Larry Holt

4 - 2 Passed

- c. Consideration and possible action to approve a Professional Services Agreement with B & W Fire Security Systems, L.L.C., for card reader door access systems for the Public Works and Human Resources buildings for an amount not to exceed \$20,072.96.

Recommended Action: Approve the Professional Services Agreement with B & W Fire Security Systems, L.L.C., for card reader door access systems for the Public Works and Human Resources buildings for an amount not to exceed \$20,072.96.

Frank Marbury, Public Works Director, presented the following:

- Several years ago, staff began looking at card reader systems based on Council's technological initiatives. The police station and Community Center were both fully integrated with this system.
- The project was budgeted a couple of years ago and was rolled into this year.
- Gave a list of the benefits of card reader systems.
- Gave details of the different quotes received from three different companies.

Council and staff discussed the following:

- Councilmember Schacherer inquired if a building had multiple doors, if they would pick one door, or multiple doors.
 - Staff stated they would do exterior doors. Staff would have to check on things like double doors, because those can get expensive. If that were the case, staff would likely leave them to be opened and closed manually.
- Councilmember Holt inquired if there was a way to lock the double doors to Town Hall remotely.
 - Staff stated there was not.
 - Councilmember Holt clarified that this would allow it but require a major retrofit.
 - Staff stated not major, but it would require a retrofit.
- Councilmember Switzer inquired what the bid covered.
 - Staff stated it would cover just Human Resources and Public Works. Town Hall would be about \$9,000.
 - Councilmember Switzer inquired how many doors it would cover.

- Staff stated it was \$2,500-\$3,000 per door, and they would be doing all the doors in the buildings.
- Councilmember Switzer inquired if Public Works and HR were the priorities in terms of security.
 - Staff stated they started with the Community Center because of how many people had access to it. Staff would be budgeting next year for the library, court, development services, and animal control.
- Councilmember Switzer inquired if this was already budgeted.
 - Staff stated it was.
 - Staff stated that this could be approved under the Town Manager's discretion, but as this would be a long-term project and would end up being over the \$50,000 threshold, staff wanted to bring it to Council for the sake of transparency.
- Staff stated that the installation was a one-time cost. Ongoing costs were a few cents for each card or the cost for another machine to make cards.
- Councilmember Switzer inquired who would control the cards.
 - Staff stated it would be between HR and IT.

MOVED by Councilmember John McCafferty, seconded by Councilmember Larry Holt to approve the Professional Services Agreement with B & W Fire Security Systems, L.L.C., for card reader door access systems for the Public Works and Human Resources buildings for an amount not to exceed \$20,072.96.

AYE: Mayor Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

6 - 0 Passed – Unanimously

7. ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Councilmember Robert Switzer to adjourn the meeting at 8:38 p.m.

AYE: Mayor Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: Councilmember Robert Schacherer

5 - 1 Passed

Tom Armstrong, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the _____ day of _____, 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2025.

Erin N. Deskins, Town Clerk

DRAFT



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5f
MEETING DATE: 5/13/2025
CONTACT PERSON: Erin Deskins, Town Clerk
ITEM TYPE: Consent/Minutes

AGENDA ITEM TITLE:

Consideration and possible action to approve the April 8, 2025, study session and regular meeting minutes.

STAFF RECOMMENDATION:

Approve the April 8, 2025, study session and regular meeting minutes.

ATTACHMENTS:

1.	2025 04 08 CC SS RG EX MND wWM
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**MINUTES OF THE STUDY SESSION AND
REGULAR MEETING OF THE
TOWN COUNCIL OF THE TOWN OF CHINO VALLEY**

TUESDAY, APRIL 8, 2025

5:00 PM

**COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY,
ARIZONA 86323**

STUDY SESSION

1. CALL TO ORDER; ROLL CALL

Mayor Armstrong called the meeting to order at 5:02 p.m.

Present: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

Absent:

Staff Present: Town Manager Terri Denemy, Town Attorney Andrew McGuire, Human Resources Director Laura Kyriakakis, Development Services Director Laurie Lineberry, Finance Director Katie Pehl, Public Works Director/Town Engineer Frank Marbury, Police Chief Josh McIntire, Lieutenant Amy Chamberlin, Community Services Director Cyndi Thomas, IT Manager Spencer Guest, Audio Visual Technician Nicholas Harwick, Town Clerk Erin N. Deskins

2. Introduction to Geographic Information Systems (GIS) provided by Will Dingee, Assistant Development Services Director.

This item was not called.

3. Presentation, update, and discussion on the Chino Valley Police Department by Joshua McIntire, Chief of Police.

Josh McIntire, Chief of Police, presented the following:

- Gave an update on staffing positions including sworn, civilian, animal control, and volunteer positions. Further discussed scheduling, modified assignments, and staff available for patrol.
- Reviewed the International Association of Chiefs of Police (IACP) opposition to using a per capita ratio as a basis for police staffing decisions. Further discussed the factors staff took into consideration when requesting more officer positions.
 - Provided a breakdown of per capita numbers and staffing status for the surrounding area police departments.

- Gave statistics on the following:
 - Total reports
 - Traffic stops
 - Traffic collisions
 - DUI arrests
 - Total arrests
 - Drug arrests
 - Suspected drug use
- Provided information of Partners Against Narcotics Trafficking (PANT) and some of their statistics from 2024 regarding felony arrests, fatal overdose deaths, search warrants, and drug seizures.
 - Discussed PANT staffing throughout the county and other surrounding areas.
- Gave an overview of the accreditation process the department was going through. The department must meet 156 standards and then show proof that they've met those standards twice to get the accreditation.
 - Achieving accreditation would demonstrate transparency and a commitment to do what is right to the public.

Council and staff discussed the following:

- Councilmember Schacherer inquired if staff had the number of how many of the DUI drivers were locals.
 - Staff stated they didn't have the numbers for that with them, but estimated it was about 50%.
- Councilmember McCafferty inquired if juvenile arrests were all at the schools.
 - Staff estimated that 23 of the juvenile arrests were school related.
- Councilmember Switzer inquired if the majority of Chino Valley arrests were related to domestic violence.
 - Staff stated it was a significant portion.
- Councilmember Holt mentioned the fact that Paulden burglaries and thefts have increased.
 - Staff stated that it is a balancing act. Moving resources into one location dedicated to patrol activities on one side of town leaves the other side of town open to criminal activities.
- Councilmember Switzer inquired how the department was doing on overtime.
 - Staff stated that they were good and were not utilizing a lot of overtime. Staff was working to get officers more training to help mitigate the need for overtime.
- Councilmember Switzer inquired if each squad had a sergeant.
 - Staff stated they do and the sergeants were on the road. FTOs could also step up as the supervisor for a squad if the sergeant was out.
- Councilmember Switzer inquired if the lieutenants were ever out on the streets.
 - Staff stated lieutenants were out just yesterday. Last month the Chief worked a patrol shift from 5:00 p.m. to 2:00 a.m.
- Councilmember McCafferty inquired if the animal shelter facility would be large enough going into the future.
 - Staff stated that the shelter did a good job of reunifying pets with their owners, but guessed that the facility size would need to be increased in the near future. When the facility was over full they had a lot of volunteers to do fostering until more are adopted out.

- Councilmember McCafferty inquired about investigations and how many were opened and closed.
 - Staff stated they were doing well; staff would have to get numbers later as they did not gather them for this meeting. Staff had asked for another detective position.
- Councilmember McCafferty stated that they would like to hear from the prosecutor.
- Mayor Armstrong stated that there had been multiple reports of a small, red SUV passing people on the right on Road 1 East.
 - Staff made note of the matter.
- Mayor Armstrong stated that a former mayor called him and stated that during a medical emergency one ambulance showed up along with five police cars.
 - Staff stated that was typical to allow two people to do CPR and another to grab supplies.
- Staff invited councilmembers on a ride-along.

4. ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Vice-Mayor Eric Granillo to adjourn the meeting at 5:52 p.m.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

7 - 0 Passed – Unanimously

REGULAR MEETING

1. CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL

Mayor Armstrong called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

Present: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

Absent:

Staff Present: Town Manager Terri Denemy, Town Attorney Andrew McGuire, Officer Tod Cupp (Sgt. at Arms), Human Resources Director Laura Kyriakakis, Development Services Director Laurie Lineberry, Finance Director Katie Pehl, Public Works Director/Town Engineer Frank Marbury, Economic Development Manager Maggie Holmberg, Community Services Director Cyndi Thomas, Court Administrator Ronda Apolinar, IT Manager Spencer Guest, Audio Visual Technician Nicholas Harwick, Town Clerk Erin N. Deskins

2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a. Annual presentation and update from the Chino Valley Equestrian Association per the terms of their lease agreement.

Trudy Ruth, Chino Valley Equestrian Park President, presented the following:

- New board members had brought new experience and talents to the park.
- Discussed improvements and additions made to the park.
- Gave a list of park affiliates.
- Provided a breakdown of the park's memberships over the years.
- Discussed volunteers and the work they do.
- Gave a list of events held over the last year as well as event attendance.
 - This year they would be expanding their all-breed horse shows, and driving shows.
 - Participants and spectators came from all over the state and even out of state including some from California and New Mexico.
 - The park would be focusing on increasing the number of spectators and participants.
- Provided a list of arena and event sponsors.
- Improvements for the year included a driving court, two round pens, and liberty arena.
- Listed the organizations with which the park conducted community outreach.
- Gave a breakdown of the park's financials.
- Listed the scheduled events for 2025.
- Gave a projected economic impact to the Town of Chino Valley.
- Gave a list of planned improvements for 2025.
- Provided a list of the equestrian park board of directors and their contacts.

Council and Ms. Ruth discussed the following:

- Councilmember Schacherer inquired if the equestrian park finally had the office space.
 - Ms. Ruth stated they did.
- Councilmember Schacherer inquired how the office space was left.
 - Ms. Ruth stated that it was left in nice condition.

- b. Presentation and update from Large Animal Shelters and Emergency Readiness (LASER).

Terri Denemy, Town Manager, presented the following:

- Governor Hobbs presented LASER with the 2024 Governor's Volunteer Award for disaster response in December.
- Presented LASER with a plaque commemorating the recognition.

Karen Magdaleno, LASER Director, and Abby Harbicht, LASER Vice-President presented the following:

- Discussed past fires and evacuations that brought about LASER.

- LASER is one of only three organizations providing emergency sheltering for Yavapai County.
- Provided details on the organization, who they serve, and who they partner with.
- Gave a list of the types of animals they shelter.
- Provided a brief outline of the activation process.
- Outlined volunteer training and requirements (the organization had 74 volunteers, 20% of them live in Chino Valley).
- Gave a breakdown of shelter operations including animal care and documentation.
- Provided details of LASER sites in Prescott Valley and Chino Valley (they would be looking to raise funds to provide shade to the Chino Valley site).
- Listed partners and donors.
- Along with providing shelter, the organization also provides information for emergency preparedness. Their webpage is also a great resource for this information.
- Discussed the costs associated with running the shelters. Shelter services were provided at no cost to owners.

3. CALL TO THE PUBLIC - Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism. Public comment is invited and encouraged, however, personal attacks on individuals is not appropriate. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity, and disruptive discussions among our audience.

There were no requests to speak.

4. CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

- a. Status reports by Mayor and Council regarding current events.

Councilmember Holt presented the following:

- Police Foundation is having their annual fund raiser on Saturday morning at Memory Park at 7:00 a.m.

Mayor Armstrong presented the following:

- He attended the latest Republican Women of Prescott meeting where a Prescott City Council candidate stated that the reason the Dells needed to be widened was not

because of Prescott traffic, but rather because of Chino Valley residents. He stated he could only laugh at that comment.

- b. Status report by Town Manager Terri Denemy regarding Town accomplishments, and current or upcoming projects.

Terri Denemy, Town Manager, presented the following:

- Construction projects were underway along Reed Road and Outer Loop. Staff anticipated construction would continue for another three weeks.
- The water fill station at Walgreens was closed for street improvement work. The Jerome Junction station would remain open.
- Chino Valley Chamber of Commerce Annual Business and Awards Dinner would be held on Thursday, April 24th at 5:00 p.m. at the Old Home Manor Yavapai College Campus. Email the Chamber director at chinovalley.org.
- Veteran's Car Show would be held Saturday, April 26th from 9:00 a.m. to 3:00 p.m. at Pine Ridge Marketplace (formerly the Gateway Mall).
- Drew Ryn made the top 24 of American Idol.

5. ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

- a. Consideration and possible action to approve the Professional Services Agreement with Heinfeld, Meech & Co, P.C. as the Town's audit firm, to perform professional audit services for the Fiscal Years Ending June 30, 2025, through June 30, 2029.

Recommended Action: Approve the Professional Service Agreement with Heinfeld, Meech & Co, P.C. as the Town's audit firm, to perform professional audit services for the Fiscal Years Ending June 30, 2025 through June 30, 2029.

Katie Pehl, Finance Director, presented the following:

- Provided statute mandating audit services.
- Five requests for proposals were reviewed by five staff members and ranked before looking at pricing proposals. Heinfeld, Meech & Co. was the highest ranked audit firm. Their extensive expertise and audit methodology set them apart. Also, their price per hour factored out as the lowest.
- Reviewed the potential fiscal impact over the next five years. Each year may not use the full projected amounts as there is a portion the Town would not have to pay depending on how many federal awards are received. The FY 2024-25 would include the magistrate court review which happens every three years.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember John McCafferty to approve the Professional Service Agreement with Heinfeld, Meech & Co, P.C. as the Town's audit firm, to perform professional audit services for the Fiscal Years Ending June 30, 2025,

through June 30, 2029.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

7 - 0 Passed – Unanimously

- b. Consideration and possible action to authorize the Town Manager, in partnership with the Trust for Public Lands and the Prescott Climbers Coalition, to make an application for financial assistance to Arizona State Parks & Trails under the provisions of the Land and Water Conservation Fund Act, Public Law 88-578 for the acquisition of the Upper Sullivans Canyon property.

Recommended Action: Authorize the Town Manager, in partnership with the Trust for Public Lands, to make an application for financial assistance to Arizona State Parks & Trails under the provisions of the Land and Water Conservation Fund Act, Public Law 88-578 for the acquisition of the Upper Sullivans Canyon property.

Terri Denemy, Town Manager, presented the following:

- This item was regarding the potential to apply for a grant for the possible purchase of Upper Sullivan's Canyon. Staff intend for the project to be privately funded, and the Town would take ownership and become managers.

Michael Patrick, Trust for Public Land (TPL) Senior Project Manager, presented the following:

- Progress on the project included the purchase of the state park land and the Fred Harvey historic buildings.
- Remaining projects included extending the Peavine Trail from Road 4 North to Sullivan Lake and acquiring the proposed parcel to complete 25 miles of public ownership of the Verde River.
- Gave details on the parcel and potential contributions.
- Reviewed plans for management, liability mitigation, and funding.

Amanda Lane and David Lovejoy, Prescott Climbers Coalition, presented the following:

- Discussed the region in regard to rock climbing and its value to rock climbers and how that can impact economic development.
- Discussed education and training uses the area offers to schools and organizations such as Prescott College, ERAU, Fire Departments, and Search and Rescue.

Council and staff discussed the following:

- Councilmember Schacherer clarified that this item was authorizing the Town to apply for a grant.

- Staff stated the packet included a draft resolution which does not commit the Council to anything. If the grant was awarded that resolution would come back to Council for approval.
- Councilmember Schacherer inquired what would happen if the grant did not go through.
 - Staff stated it would not come back to Council if it was not approved.
- Councilmember Schacherer inquired about the cost to maintain the property if the grant were funded.
 - Mr. Lovejoy stated that it had been an active climbing area for 40 years and no one had spent any money on it. There were ideas about things that could be done to enhance the area, and the Climbing Coalition was willing to partner in those efforts and offer volunteer work, etc. Nothing was required.
- Councilmember Schacherer inquired about parking as the area would become more well known if this were funded.
 - Ms. Lane stated there were parking ideas and there was an area that could be developed and graded out and marked. The Climber Coalition already helped with such projects in other areas.
- Councilmember Holt inquired how they would control access.
 - Ms. Lane stated that the access to climbing was all based on repelling into the canyon using existing features like boulders to build anchors.
 - Mr. Lovejoy stated that it was not a flashflood risk because of the buffer created by the dam in the lake.
- Vice-Mayor Granillo inquired how much would be covered under the grant.
 - Ms. Lane stated it was a matching grant for \$200,000. They just started fund raising and have already raised \$32,000 from 116 donors.
- Vice-Mayor Granillo inquired what the comps were based on to get \$400,000 for 10 acres.
 - Mr. Patrick stated that CBRE did an appraisal about a year and a half ago. There were comps of similar properties that size that justified the price.
 - Vice-Mayor Granillo mentioned that it was in a flood zone.
 - Mr. Lovejoy stated that there were buildable sites and nothing to stop someone from putting in a well.
 - Mr. Patrick stated that he could share the appraisal with the Town.
- Councilmember Switzer inquired if there was a way to get State Parks involved with its proximity to the new state park.
 - Discussion ensued about which entities would use the area and could contribute to enhancements and management.
- Councilmember McCafferty inquired if the Climbers Coalition was familiar with Vantage, Washington.
 - Ms. Lane and Mr. Lovejoy indicated they were not.
- Councilmember McCafferty inquired about a sport route.
 - Ms. Lane stated that putting anchors in this canyon with the petroglyphs would require more discussion.
- Councilmember McCafferty inquired about language in the resolution stating that the Town has submitted and the parks received the application.
 - Staff stated that it was a draft resolution that would be voted on if they received the grant.

- Mayor Armstrong recognized former Supervisor Craig Brown for getting the project started with the State Park.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember John McCafferty to authorize the Town Manager, in partnership with the Trust for Public Lands, to make an application for financial assistance to Arizona State Parks & Trails under the provisions of the Land and Water Conservation Fund Act, Public Law 88-578 for the acquisition of the Upper Sullivans Canyon property.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

7 - 0 Passed – Unanimously

- c. Consideration and possible action to acquire seven parcels related to the Maintenance Improvement District of the detention basins along Salida Del Sol.

Recommended Action: Authorize the Mayor or his designee to process and record the special warranty deed prepared by the Town Attorney to acquire the seven parcels related to the detention basins for the Maintenance Improvement District for the Del Sol Subdivisions.

Frank Marbury, Public Works Director, presented the following:

- A Maintenance Improvement District (MID) was developed for the Del Sol subdivisions which is maintained by the Town. This item would serve to transfer ownership to the Town to clear up any issues as to the ownership and responsibility for the MID tracts.

Council and staff discussed the following:

- Councilmember Schacherer inquired if the well would be under the MID.
 - Staff stated that would go into the estimation of the annual cost and any assessments for the maintenance of the well would go to the property for the MID along with electrical.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember Robert Schacherer to authorize the Mayor or his designee to process and record the special warranty deed prepared by the Town Attorney to acquire the seven parcels related to the detention basins for the Maintenance Improvement District for the Del Sol Subdivisions.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

7 - 0 Passed – Unanimously

6. ADJOURNMENT

MOVED by Councilmember John McCafferty, seconded by Councilmember Robert Switzer to enter Executive Session.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

7 - 0 Passed - Unanimously

MOVED by Councilmember Phillips, seconded by Vice-Mayor Granillo to adjourn the meeting at 7:18 p.m.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

7 - 0 Passed - Unanimously

Tom Armstrong, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 8th day of April 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2025.

Erin N. Deskins, Town Clerk



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6a
MEETING DATE: 5/13/2025
CONTACT PERSON: Will Dingee, Assistant Development Services Director
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Consideration and possible action to approve Ordinance No. 2025-952, amending the Town Code to create a new section regarding urban camping.

SUMMARY:

This proposed amendment to the Town Code, originally initiated by the Police Department and Development Services in 2022, establishes clear regulations prohibiting camping on public property (urban camping) and certain posted private areas to address persistent public health, safety, and nuisance concerns. The language is crafted to balance enforcement needs with constitutional protections, explicitly exempting lawful private use and avoiding the criminalization of homelessness. While this item was previously discussed with Council in 2023, staff held off due to pending court cases on related matters. With those cases now resolved, and with the Town Attorney's support, staff recommends moving this item forward. See attached draft language for full details (§ 130-06 Urban Camping).

PREVIOUS ACTION:

Council Study Session on July 12, 2022
Presentation to Council on April 11, 2023

STAFF RECOMMENDATION:

Approve Ordinance No. 2025-952, amending the Town Code to create a new section regarding urban camping.

FISCAL IMPACT?

N/A

ATTACHMENTS:

1.	ORD 2025-952 - Urban Camping
2.	4-11-2023 Overnight Camping Presentation Minutes
3.	7-12-2022 Overnight Camping Study Session Minutes

ORDINANCE NO. 2025-952

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, AMENDING THE CHINO VALLEY TOWN CODE CHAPTER 130 (GENERAL OFFENSES) BY CREATING A NEW SECTION 130.06 (URBAN CAMPING) RELATING TO NUISANCE ACTIVITY; AND PROVIDING FOR SEVERABILITY.

WHEREAS, in June of 2024, the United States Supreme Court issued a decision in *Johnson v. Grants Pass*, which reaffirmed the authority of municipal governments to regulate urban camping and nuisance conditions attendant thereto; and

WHEREAS, the Mayor and Common Council of the Town of Chino Valley, Arizona (the "Town Council"), desires to protect public health and to preserve public property for the enjoyment, safety, comfort, and convenience of the public; and

WHEREAS, to further these goals, the Town Council has determined that establishing provisions relating to urban camping is in the best interests of the residents of Chino Valley; and

WHEREAS, in so doing, the Town joins municipal governments across the state and country that are working to develop a robust and nuanced response to this widespread public challenge.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1. The foregoing recitals are hereby referred to, adopted, and made a part hereof as if fully set forth herein.

SECTION 2. The Town Code, Chapter 130 (General Offenses), is hereby amended by adding a new Section 130.06 (Urban Camping), to read as follows:

§ 130.06 Urban Camping

(A) Purpose. The purpose of this section is to protect public health and safety, preserve public property for the enjoyment, comfort, and convenience of the public, and maintain a healthy and natural environment. The streets and public areas within the Town should be readily accessible and available to residents and the public at large. The use of public areas for camping or for storage of personal property interferes with the rights of others to use public areas for the purposes for which they were intended. Such activity can also constitute a public health and safety hazard that adversely impacts neighborhoods, pedestrians, and motorists. Nothing in this section is intended to interfere with otherwise lawful and ordinary uses of public or private property.

(B) Definitions. For purposes of this section:

(1) "Camp" or "Camping" means temporarily or permanently living in an outdoor space, on public property, or on any other property the participant does not own, regardless of the intent of the participant or the nature of any other activities in which the participant may also be engaging. Actions that constitute camping may include, but are not limited to:

- (a) Erecting a tent, shelter, kitchen, living area, sleeping area, or temporary structure.
 - (b) Living in a parked motor vehicle, recreational vehicle, trailer, camper, or makeshift or otherwise non-permanent structure.
 - (c) Remaining on public property for prolonged or repetitious periods of time in a manner not associated with ordinary use of that public property.
 - (d) Making preparations to sleep, which may include laying down bedding for the purpose of sleeping or using camping paraphernalia.
 - (e) Storing personal belongings.
 - (f) Making a fire or carrying on cooking activities.
- (2) "Camping Paraphernalia" means any accessory, equipment, or item commonly used for camping, including tarps, cots, beds, bedding, sleeping bags, hammocks, tents, blankets, and cooking equipment.
- (3) "Campsite" means an area in which a person has set up, stockpiled, or arranged camping paraphernalia, supplies, or materials for the purpose of camping.
- (4) "Childcare Facility" has the meaning provided in A.R.S. § 36-881(3), as amended.
- (5) "Public Property" means any property owned or controlled by the Town of Chino Valley, a public school, a utility provider, or any other governmental entity, which includes by way of example, but is not limited to, any restroom, street, sidewalk, right-of-way, highway, alleyway, bike path, transit stop or transit facility, preserve, open space, park, wash, improved or unimproved land, attraction, structure, facility, or parking lot.
- (6) "School" means any public, charter, or private school where children attend classes in kindergarten programs or grades one through twelve.
- (7) "Store" means to put aside or accumulate for use when needed, to put for safekeeping, or to place or leave in a location.

(C) Prohibited Acts.

- (1) It is unlawful and a public nuisance for any person to:
- (a) Establish or maintain a campsite, or use or store camping paraphernalia, in or on any public property unless expressly permitted by the Town.
 - (b) Camp in or on any building, facility, parking lot, or structure that is owned, possessed, or controlled by the Town.
 - (c) Camp within 500' of any property boundary of a school or childcare facility.

(2) If any camping paraphernalia or item used for camping is left unattended on public property, it shall be collected and appropriately disposed of in compliance with A.R.S. §§ 12-940 *et seq.*, as amended.

(D) Exceptions. This section does not prohibit:

(1) Activities carried out pursuant to a special event permit issued by the Town.

(2) Temporary structures or camps set up by a government agency for relief workers during a response to a disaster or emergency.

(3) Camping on private residential property, so long as all of the following conditions are met:

(a) The property owner consents to the camping, and the camping is limited to three or fewer consecutive nights.

(b) The activity does not violate any Town Code provision or regulation.

(c) No fee or charge, or other consideration is paid for the privilege of camping on the property.

(d) The camping occurs in a location that is completely obscured from view from any public or private street.

(E) Penalties and Enforcement.

(1) A violation of this section is a Class 3 misdemeanor, subject to the penalties as set forth in A.R.S. §§ 13-707 and 13-802, as amended.

(2) In lieu of issuing a citation, an officer investigating a suspected violation of this section may elect, at the officer's discretion and with the consent of the individual, to transport the individual to a facility providing social services related to mental health, housing, and/or substance abuse treatment.

(3) In addition to or in lieu of any sentence imposed for a violation of this section, the court may sentence a person to perform community restitution or order a term of education or treatment consistent with A.R.S. § 13-717, as amended.

SECTION 3. If any section, subsection, sentence, clause, phrase, or portion of this ordinance, or of the amendments hereby adopted, 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. The Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this ordinance.

(SIGNATURES FOLLOW)

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley
on this 13th day of May 2025.

Tom Armstrong, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew McGuire, Town Attorney
Gust Rosenfeld P.L.C.

I hereby certify that the above foregoing Ordinance No. 2025-952 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on May 13, 2025, and that quorum was present thereat and that the vote thereon was ____ ayes, ____ nays, and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

Juliann Baker – She thought there was a lot of policy required for events and building for a Town of approximately 13,000 people. She thought it was oversized for a Town of their size.

5) Discussion regarding camping within Town limits. (Will Dingee, Senior Planner)

Development Services Director Laurie Lineberry and Police Chief Wynn presented the following:

- The Town did not have anything that prevented anyone from camping overnight in a parking lot in the industrial or commercial areas. If property owners posted something on their property, code enforcement could ask people to move, but it was a long process.
- The Council could adopt an Ordinance in the Town Code (not UDO) that did not allow for overnight camping in these areas, then the Police Department could get involved and the process would be quicker than a code enforcement officer.
- The Police had seen the problem of people parking in the McDonalds parking lot for days or weeks at a time. The Police reached out to the management companies, but they were often out of Town or the State. The Town could not be the victim of trespassing, and it was challenging getting the property owner to testify on the issue. An Ordinance would allow the Town to pursue the issue. The Police would use common sense and would allow someone that needed to rest for a couple of hours, which was different than people taking up residence in parking lots.

Council and staff discussed the following:

- People would be provided a copy of the Ordinance, so that just moving locations would not work. People would be provided a written warning and a citation if they just moved to a new location.
- Members thought it was a good example of why the Town needed an RV Park somewhere.
- Members did not want to see it become too strict for those just pulling off for the night.
- The new code would at some point have to escalate to criminal or there would be no way to enforce repeat offenders.

6) ADJOURNMENT

MOVED by Councilmember Cloyce Kelly, seconded by Councilmember Eric Granillo to adjourn the meeting at 5:48 p.m.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty - remotely, Councilmember Lon Turner - remotely (arrived 5:10)

7 - 0 PASSED - Unanimously

**REGULAR MEETING
TUESDAY, JULY 12, 2022
6:00 P.M.**

**Council Chambers
202 N. State Route 89
Chino Valley, Arizona**

Juliann Baker – She thought there was a lot of policy required for events and building for a Town of approximately 13,000 people. She thought it was oversized for a Town of their size.

5) Discussion regarding camping within Town limits. (Will Dingee, Senior Planner)

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AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty - remotely, Councilmember Lon Turner - remotely (arrived 5:10)

7 - 0 PASSED - Unanimously

**REGULAR MEETING
TUESDAY, JULY 12, 2022
6:00 P.M.**

**Council Chambers
202 N. State Route 89
Chino Valley, Arizona**



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6b
MEETING DATE: 5/13/2025
CONTACT PERSON: Will Dingee, Assistant Development Services Director
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Consideration and possible action to enter into an Intergovernmental Agreement with Yavapai County for the Town to use "Home of my Own" building plans.

SUMMARY:

Yavapai County's "A Home of My Own" program is a housing initiative designed to expand access to affordable homeownership by offering residents a selection of six pre-approved, single-family home construction plans at no cost. These plans, which range from 607 to 1,300 square feet, are ready for slab-on-grade construction and include one-, two-, and three-bedroom options. By eliminating architectural design costs and reducing permit review times to as little as a couple of business days, the program lowers the financial and logistical barriers for individuals and families looking to build modest, entry-level homes.

Through an Intergovernmental Agreement with Yavapai County, the Town of Chino Valley will be able to offer these same benefits to its residents. This partnership supports the Town's goals of encouraging affordable housing development, streamlining permit processing, and promoting sustainable community growth. By reducing the cost and complexity of homebuilding, the program will help meet local housing needs and support long-term economic and workforce stability in Chino Valley.

Attached are sample elevations and floor plans of three of the homes.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Approve the Intergovernmental Agreement with Yavapai County for the Town to use "Home of my Own" building plans.

FISCAL IMPACT?

N/A

ATTACHMENTS:

1.	Home of My Own Contract-Chino Valley
2.	1 Bedroom YCHMO
3.	2 Bedroom YCHMO

4.	3 Bedroom YCHMO
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USE OF HOME OF MY OWN DESIGNS AND PLANS CONTRACT BETWEEN
YAVAPAI COUNTY AND THE TOWN OF CHINO VALLEY

1. Purpose.

The purpose of this Contract is to facilitate affordable housing in Yavapai County ("County") and the Town of Chino Valley ("Town"). The County has established a program known as "A Home of my Own" ("Program") which includes the use of standardized building plans ("Plans") designed by Architect Mark Rogers by separate Contract. The Town now wishes to implement a plan similar to the Program using the Plans.

2. Duration.

This Contract shall be effective from the April 2nd, 2025, until April 2nd, 2030.

3. Contract Interpretation.

- 3.1 Arizona Law. The law of Arizona applies to this Contract. Any changes in the governing laws, rules, or regulations that do not materially affect the parties' obligations under this Contract will apply but do not require any amendment to this Contract.
- 3.2 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.
- 3.3 Relationship of Parties. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 3.4 Severability. If any provision(s) of this Contract is/are invalid, illegal, or unenforceable for any reason, all other Agreement provisions shall nevertheless remain in full force and effect. If any provision(s) is/are inapplicable to any person or circumstance, the same provision(s) shall nevertheless remain applicable to all other persons and circumstances.
- 3.5 Entire Agreement. This Contract represents the entire, integrated agreement between the parties. The Contract supersedes all prior negotiations, representations, or agreements, whether written or oral. The Contract may be amended only by written instrument signed by the parties.
- 3.6 No Parol 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.
- 3.7 No Waiver. No action or failure to act by the parties constitutes a waiver of any right or duty under this Contract, nor does the action or failure to act constitute approval of or acquiescence in a breach of the Contract, unless the waiving party memorializes the waiver or approval in writing and sign it.
- 3.8 Headings. Headings are for organizational purposes only and shall not be interpreted as having legal significance or meaning.

- 3.9 Neutral Interpretation. The parties acknowledge and agree that this Contract shall not be construed for or against a party because part or all of it was drafted by a party or a party's attorney.

4. **Standard Terms.**

- 4.1 Compliance with Law. The parties shall comply with all applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities in performing this Contract, including but not limited to environmental laws.
- 4.2 Inspection and Testing. The parties agree to permit access, at reasonable times, to their facilities.
- 4.3 Immigration Law Compliance. Both parties hereby warrant that they will at all times during the term of this Contract comply with all federal immigration laws applicable to their employment of their employees, and with the requirements of A.R.S. §§ 23-214 and 41-4401 (together the "State and Federal Immigration Laws"). A breach of the foregoing warranty shall be deemed a material breach of this Contract, and the parties shall have the right to terminate this Contract for such a breach, in addition to any other applicable remedies. The parties retain the legal right to inspect the papers of each Contractor or subcontractor employee of either who performs work pursuant to this Contract to verify performance of the foregoing warranty of compliance with the State and Federal Immigration Laws.
- 4.4 Conflict of Interest. This Contract is subject to cancellation for conflicts of interest under A.R.S. § 38-511.
- 4.5 Waiver of Jury Trial. The parties hereto expressly covenant and agree that in the event of a dispute arising from this Contract, each of the parties hereto waives any right to a trial by jury. In the event of litigation, the parties hereby agree to submit to a trial before the Court.
- 4.6 Prohibition of Assignment of Rights and Responsibilities. Neither party to this Contract may assign its rights or responsibilities under this Contract without the written consent of the other party.
- 4.7 Execution in Parts. This Contract may be executed in two or more counterparts. Each counterpart will be deemed an original, and all counterparts shall form a single instrument.
- 4.8 Authority to Bind. Each person executing this agreement represents that he or she has full and legal authority to execute this agreement for and on behalf of the respective party for which he or she is executing this agreement and to bind that party.

5. **Notices.**

All notices under this Contract must be in writing and sent to the appropriate person. Notices will be deemed properly given if sent by (1) personal delivery, (2) facsimile transmission, (3) first-class United States mail, postage prepaid, or (4) certified U.S. mail, postage prepaid, return receipt requested, addressed as follows:

Yavapai County Development Services
1120 Commerce Drive
Prescott, AZ 86305
Attn: Mark Lusson

Town of Chino Valley Development Services
1982 Voss Dr. #203
Chino Valley, AZ 86323
Attn: Dan Trout

Each party may specify by notice to the others a different address for purposes of subsequent notices. Notice is effective on the date of actual receipt or three days after the date of mailing, whichever is earlier.

6. Third Parties.

Nothing contained in this Contract shall create a Contractual relationship with or a cause of action in favor of a third party against Yavapai County or the Town of Chino Valley. This Contract is not intended to benefit any third party.

7. Insurance.

Both Parties maintain insurance to cover their respective liabilities under this Contract.

8. Indemnification.

To the fullest extent permitted by law, Town (as "indemnitor") agrees to indemnify, defend, release from liability, and hold harmless County and its employees, officers, volunteers and agents (as "indemnitees") 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 relating to this Agreement, whether or not caused by the negligence of either party, its employees, officers, officials, volunteers or agents, or a non-party to this Agreement. The agreement to indemnify, defend, release from liability, and hold harmless shall survive the termination of this Agreement.

9. Termination.

Either party may terminate this Contract with thirty (30) days written notice. Any termination of this Contract shall not relieve either party of responsibility for costs incurred prior to the effective date of the termination.

10. Services and Duties Provided by Yavapai County.

The County shall make the Plans available to the Town.

11. Services and Duties Provided by Town of Chino Valley.

The Town agrees to only use the Plans to facilitate the construction of affordable housing within the Town. The Town shall not share the Plans to any other governmental entity. The Town shall not charge any fees for the use of the plans. The plans will remain valid for the 2018 Building Code cycle. If the Town and County subsequently both adopt future building codes, the County may provide updated versions of the Plans under such future building codes. If the County chooses to do so, such updated versions of the Plans shall be treated as the Plans for the purposes of this Agreement.

The Town shall require any homeowners using the Plans to obtain all other required services to construct housing, including the following if applicable: Site investigation for septic system, geotechnical tests, grading and drainage plan, construction permit, financing, and construction. The Town shall only allow the use of the Plans with no modifications of the stamped plans before or during construction.

APPROVALS

County

Town

Mary Mallory, Chair Date
Yavapai County Board of Supervisors

Signature Date

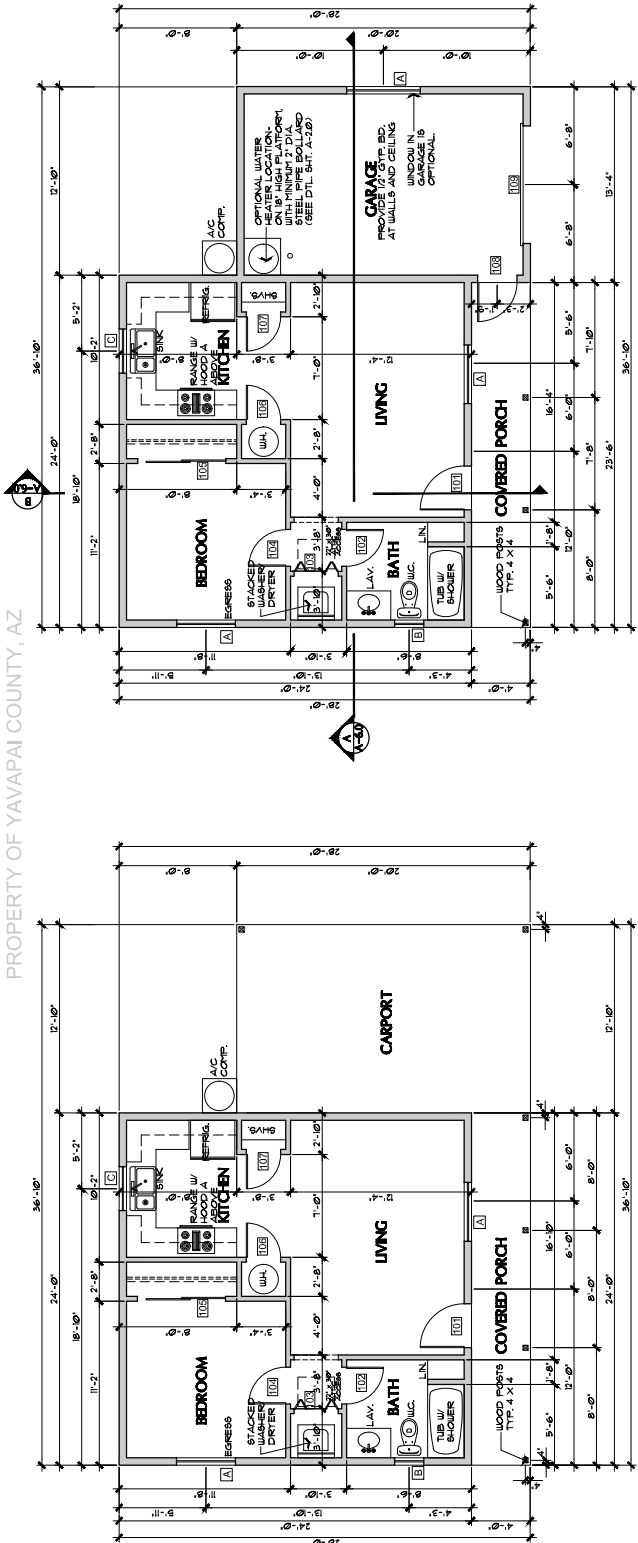
Name and Title

ATTESTS:

Jayme Rush, Clerk of the Board Date
Yavapai County Board of Supervisors

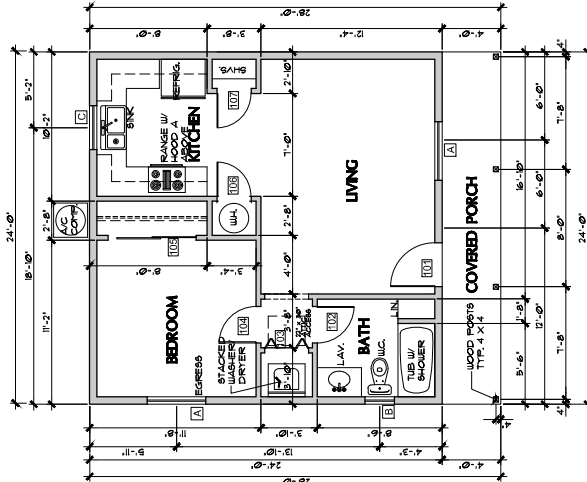
REVIEWED FOR DESIGN
CRITERIA ONLY
SEE ATTACHED COVER SHEET FOR ALL
STAMPING REQUIREMENTS AND THE
ACKNOWLEDGE APPLICABLE STAMPS.

PROPERTY OF YAVAPAI COUNTY, AZ



FLOOR PLAN (with Carport option)

SCALE: 1/4" = 1'-0"



FLOOR PLAN (without Garage or Carport)

SCALE: 1/4" = 1'-0"

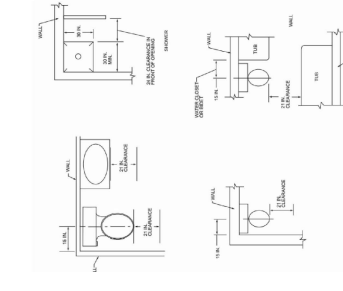
PLUMBING FIXTURE CLEARANCES

NO SCALE

PER IRC FIGURE R307.1

WINDOWS SHALL BE VINYL FRAME
MAX. U-FACTOR 0.40
MIN. R-VALUE 5.0
INSULATION IF USING 6.32 OR BELOW
(U-FACTOR)

NOTE: FENESTRATION IN ZONE 2 (ELEVATIONS BELOW 3500 FT.)
MAX. U-FACTOR 0.40
MIN. R-VALUE 5.0
INSULATION IF USING 6.32 OR BELOW
(U-FACTOR)



Job no. : 1B0RM/BATH
Date : MAY 24, 2024
Drawn by : MFR
Checked by : MFR
Revisions:
AS NOTED

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Mark Rogers, Architect, PLLC
761 Highland Circle
Chino Valley, Arizona 86323
Phone: (928) 648-3516
markrogers14@gmail.com

PROPERTY OF YAVAPAI COUNTY, AZ

FLOOR PLANS /
OPENING SCHEDULES
PHASE TWO - 1 BDRM / 1 BATH - RIGHT PARKING
YAVAPAI COUNTY, ARIZONA
1015 FAIR STREET
PRESCOTT, ARIZONA

SHEET NO:
A-10

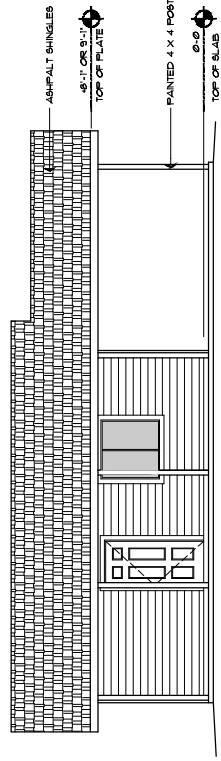
PROPERTY OF YAVAPAI COUNTY, AZ

PROPERTY OF YAVAPAI COUNTY, AZ

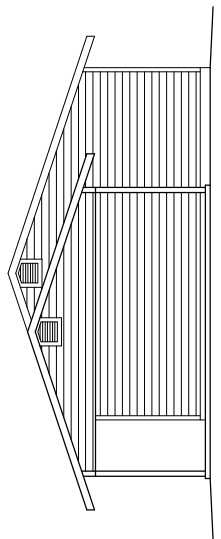
REVIEWED FOR DESIGN
CRITERIA ONLY
SEE ATTACHED COVER SHEET FOR ALL
STAMPING REQUIREMENTS AND THE
ACKNOWLEDGE APPLICABLE STAMPS.

PROPERTY OF YAVAPAI COUNTY, AZ

Job no. : 1B0RM/BATH
Date : MAY 24, 2024
Drawn by : MFR
CHK'd by : MFR
Revisions: AS NOTED

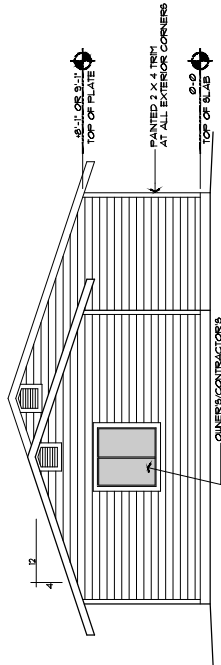


FRONT ELEVATION (with optional Carport)
SCALE: 1/4" = 1'-0"

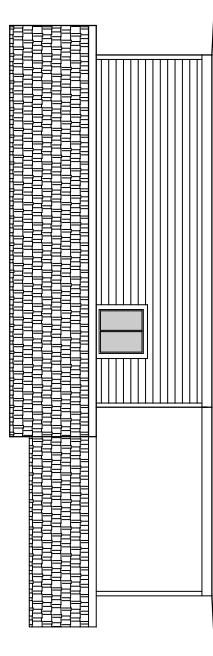


RIGHT SIDE ELEVATION (with optional Carport)
SCALE: 1/4" = 1'-0"

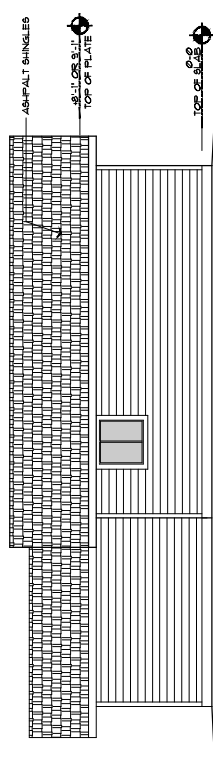
NOTE: SEE SHEET A-4.0 FOR EXTERIOR WALL FINISH OPTIONS.



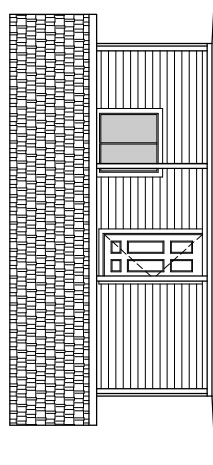
RIGHT SIDE ELEVATION (with optional Garage)
SCALE: 1/4" = 1'-0"



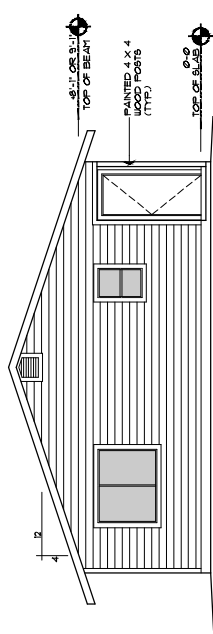
REAR ELEVATION (with optional Carport)
SCALE: 1/4" = 1'-0"



REAR ELEVATION (with optional Garage)
SCALE: 1/4" = 1'-0"



FRONT ELEVATION (without Garage, or Carport option)
SCALE: 1/4" = 1'-0"



LEFT SIDE ELEVATION (similar for all options)
SCALE: 1/4" = 1'-0"



Mark Rogers, Architect, PLLC

761 Highland Circle
♦ ♦ ♦ Chino Valley, Arizona 86323
Phone: (928) 848-3516
markrogers14@gmail.com

PROPERTY OF YAVAPAI COUNTY, AZ

EXTERIOR ELEVATIONS
PHASE TWO - 1 BRM / 1 BATH - RIGHT PARKING
YAVAPAI COUNTY, ARIZONA

1015 FAIR STREET
PRESCOTT, ARIZONA

SHEET NO:
A-5.0

PROPERTY OF YAVAPAI COUNTY, AZ

REVIEWED FOR DESIGN
CRITERIA ONLY
SEE ATTACHED COVER SHEET FOR
OWNER'S SIGNATURE AND
ACKNOWLEDGE APPLICABLE TO THIS PROJECT

DOOR SCHEDULE

DOOR TYPE		REMARKS
H.L.	T.	
6'-8"	1'-3/4"	SOLID-CORE WOOD
102	2'-0"	SOLID-CORE FLUSH WOOD
103	3'-0"	SOLID-CORE FLUSH WOOD
104	3'-0"	SOLID-CORE FLUSH WOOD
105	2'-4"	SOLID-CORE FLUSH WOOD
106	2'-4"	SOLID-CORE FLUSH WOOD
107	2'-4"	SOLID-CORE FLUSH WOOD
108	2'-4"	SOLID-CORE FLUSH WOOD
109	2'-4"	SOLID-CORE FLUSH WOOD
110	2'-4"	SOLID-CORE FLUSH WOOD
111	2'-4"	SOLID-CORE FLUSH WOOD
112	2'-4"	SOLID-CORE FLUSH WOOD
113	2'-4"	SOLID-CORE FLUSH WOOD
114	16'-0"	OVERHEAD GARAGE DOOR
115	3'-0"	SOLID-CORE WOOD

WINDOW SCHEDULE (8' plate height)

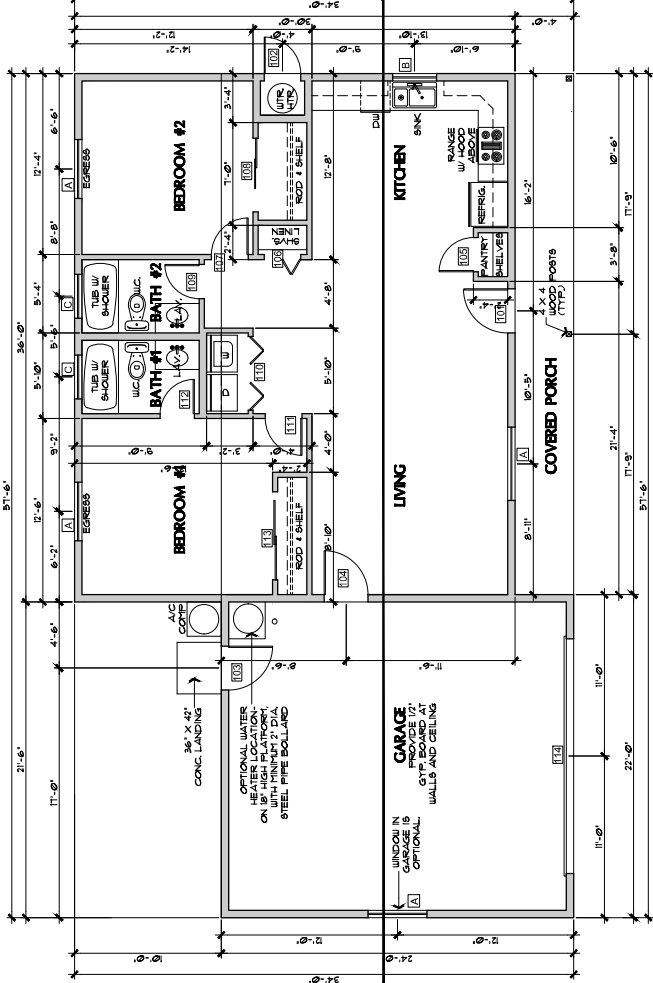
WIN.	SIZE	TYPE	REMARKS
A	4040	XO	EGRESS AT BEDROOM
B	3030	XO	
C	3010	XO	
D	3040	XO	

WINDOW SCHEDULE (9' plate height)

WIN.	SIZE	TYPE	REMARKS
A	4090	XO	EGRESS AT BEDROOM
B	3030	XO	
C	3010	XO	
D	3040	XO	

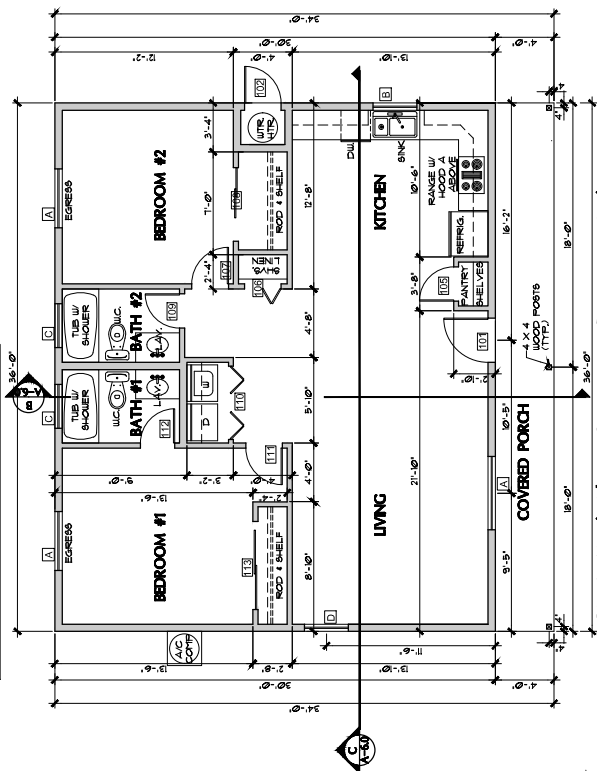
NOTE: PENETRATION IN ZONE 2 (ELEVATIONS ARE ON 3500 F.T.).
MAXIMUM PENETRATION SHALL HAVE A MAXIMUM LEAKAGE OF 0.1 AND A
MAXIMUM PENETRATION SHG FACTOR OF 0.40.
MAXIMUM PENETRATION SHALL HAVE A MAXIMUM LEAKAGE OF 0.1 AND A
MAXIMUM PENETRATION SHG FACTOR OF 0.40.
MAXIMUM PENETRATION SHALL HAVE A MAXIMUM LEAKAGE OF 0.1 AND A
MAXIMUM PENETRATION SHG FACTOR OF 0.40.

PROPERTY OF YAVAPAI COUNTY, AZ



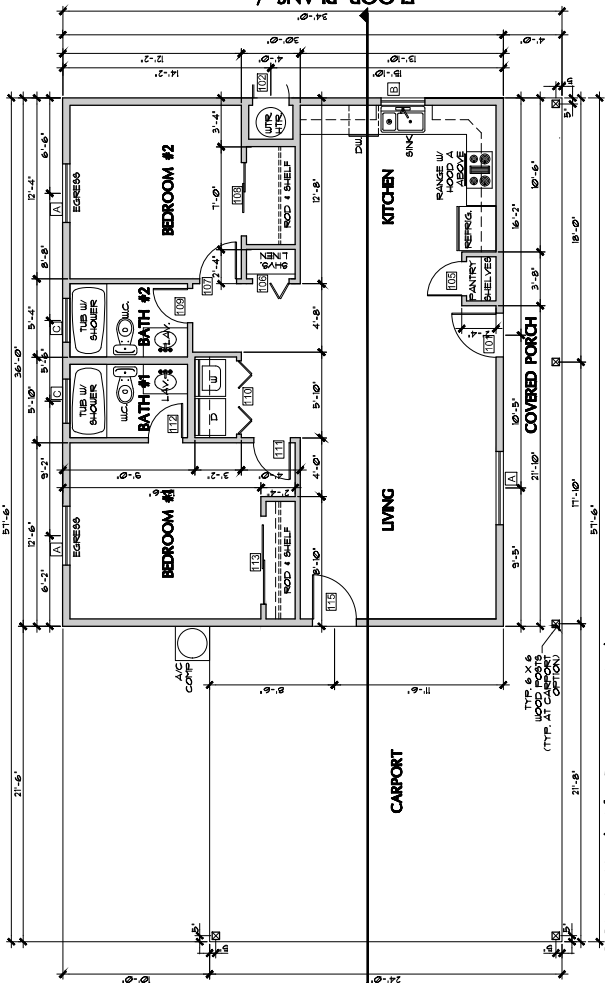
FLOOR PLAN (with Garage option)

SCALE: 1/4" = 1'-0"



FLOOR PLAN (without Garage or Carport option)

SCALE: 1/4" = 1'-0"

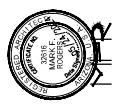


FLOOR PLAN (with Carport option)

SCALE: 1/4" = 1'-0"

Job no. : 230/2BA LEFT
Date : MAY 24, 2024
Drawn by : MFR
Checked by : MFR
Comments : AS NOTED

Revisions:
1. Change in the property of Mark Rogers, Inc. to be the owner of the property.
2. Change in the property of Mark Rogers, Inc. to be the owner of the property.
3. Change in the property of Mark Rogers, Inc. to be the owner of the property.
4. Change in the property of Mark Rogers, Inc. to be the owner of the property.
5. Change in the property of Mark Rogers, Inc. to be the owner of the property.



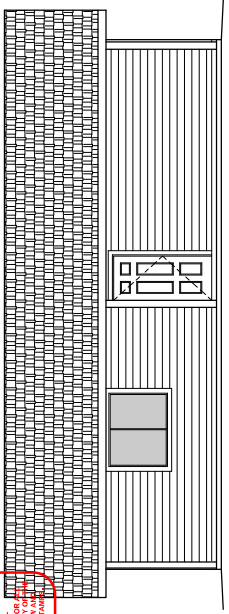
Mark Rogers, Architect, PLLC
761 Highland Circle
Chino Valley, Arizona 86323
Phone: (928) 648-3516
markrogers14@gmail.com

YAVAPAI COUNTY, ARIZONA
PHASE TWO - 2 BDRM / 2 BATH - LEFT PARKING
1015 FAIR STREET
PRESCOTT, ARIZONA

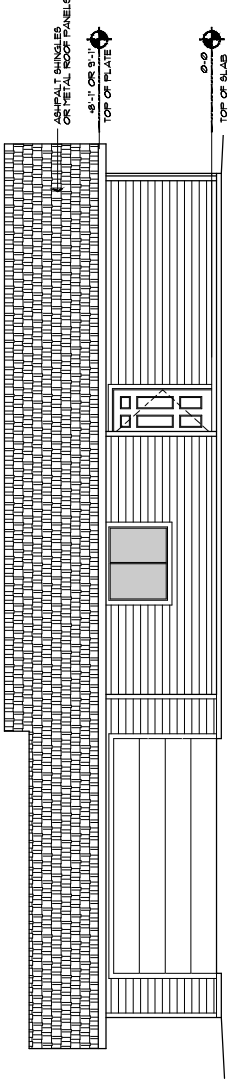
SHEET NO.:
A-10

REVIEWED FOR DESIGN
CRITERIA ONLY
SEE ATTACHED COVER SHEET FOR
DESIGN CRITERIA AND
OWNER'S PLANT TO REVIEW
ACKNOWLEDGE APPLICABLE STANDARDS

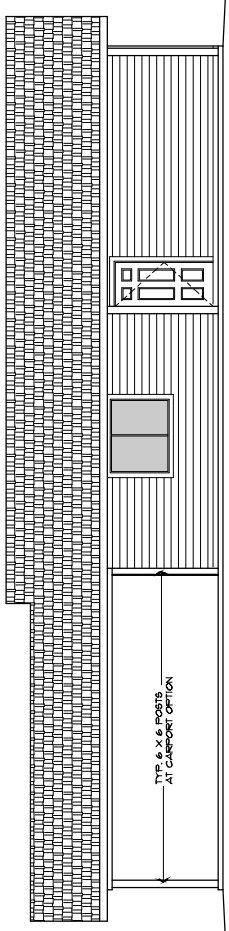
PROPERTY OF YAVAPAI COUNTY, AZ



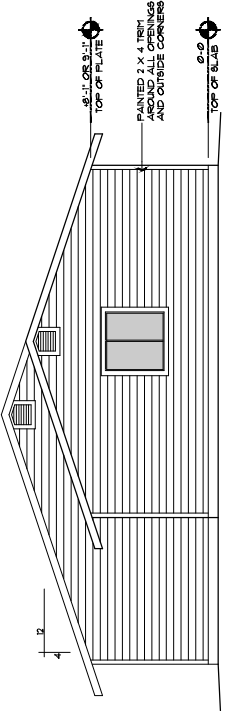
FRONT ELEVATION (without optional Garage or Carport)
SCALE: 1/4" = 1'-0"



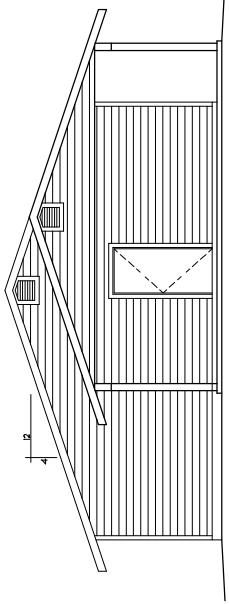
FRONT ELEVATION (with optional Garage)
SCALE: 1/4" = 1'-0"



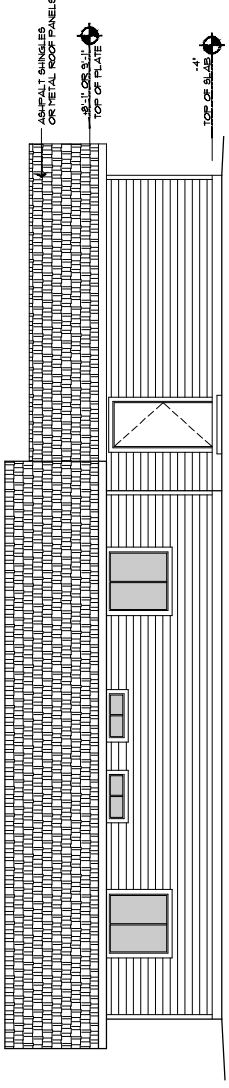
FRONT ELEVATION (with optional Carport)
SCALE: 1/4" = 1'-0"



RIGHT SIDE ELEVATION (with optional Garage)
SCALE: 1/4" = 1'-0"

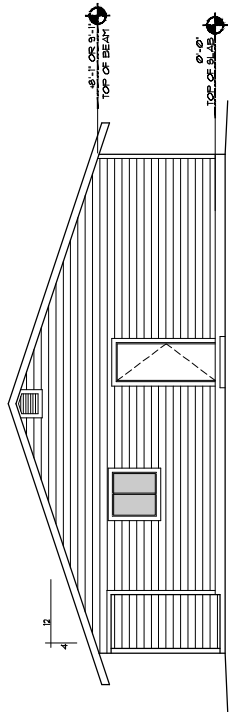


RIGHT SIDE ELEVATION (with optional Carport)
SCALE: 1/4" = 1'-0"



REAR ELEVATION (with Garage option)
SCALE: 1/4" = 1'-0"

SEE SHEET A-6.0 FOR EXTERIOR WALL FINISH OPTIONS



LEFT SIDE ELEVATION (same for all options)
SCALE: 1/4" = 1'-0"

SHEET NO:

A-5.0

Job no. : 280/28A LEFT
Date : MAY 24, 2024
Drawn by : MFR
CHK'd by : MFR
Revisions:
AS NOTED

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♦ ♦ ♦ Chino Valley, Arizona 86323
Phone: (928) 848-3516
markrogers14@gmail.com
PROPERTY OF YAVAPAI COUNTY, AZ

EXTERIOR ELEVATIONS
PHASE TWO - 2 BDRM / 2 BATH - LEFT PARKING
YAVAPAI COUNTY, ARIZONA
1015 FAIR STREET
PRESCOTT, ARIZONA

PROPERTY OF YAVAPAI COUNTY, AZ

PROPERTY OF YAVAPAI COUNTY, AZ

REVIEWED FOR DESIGN
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STAMP REQUIREMENTS TO REVIEW AND
ACKNOWLEDGE APPLICABLE STAMPS.

PROPERTY OF YAVAPAI COUNTY, AZ

Job no. 380/2BA RIGHT
Date 05/24/2024
Drawn by MFR
Checked by MFR
Scale AS NOTED
Revisions:

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DOOR SCHEDULE				REMARKS
DR.	SIZE	HL.	T.	DOOR TYPE
101	3'-0"	6'-3"	1'-3/4"	SOLID-CORE WOOD
102	2'-6"	6'-3"	1'-3/4"	SOLID-CORE WOOD
103	3'-0"	6'-3"	1'-3/4"	SOLID-CORE WOOD
104	2'-6"	6'-3"	1'-3/8"	INTERIOR HOLLOW CORE
105	2'-4"	6'-3"	1'-3/8"	INTERIOR HOLLOW CORE
106	2'-4"	6'-3"	1'-3/8"	INTERIOR HOLLOW CORE
107	2'-4"	6'-3"	1'-3/8"	INTERIOR HOLLOW CORE
108	6'-0"	6'-3"	-	SLIDING GLASS PATIO DOOR
109	2'-6"	6'-3"	1'-3/8"	INTERIOR HOLLOW CORE
110	2'-6"	6'-3"	1'-3/8"	INTERIOR HOLLOW CORE
111	2'-4"	6'-3"	1'-3/8"	INTERIOR HOLLOW CORE
112	2'-4"	6'-3"	1'-3/8"	INTERIOR HOLLOW CORE
113	2'-4"	6'-3"	1'-3/8"	INTERIOR HOLLOW CORE
114	2'-4"	6'-3"	1'-3/8"	INTERIOR HOLLOW CORE
115	2'-0"	6'-3"	1'-3/8"	INTERIOR HOLLOW CORE
116	2'-0"	6'-3"	1'-3/8"	INTERIOR HOLLOW CORE
117	16'-0"	7'-0"	-	OVERHEAD GARAGE DOOR
118	3'-0"	6'-3"	1'-3/8"	INTERIOR HOLLOW CORE

NOTE: WHEN USING DOOR #2 WITH THE ALTERNATE CARPORT, SELF-CLOSING & SELF-LATCHING ARE NOT REQUIRED.

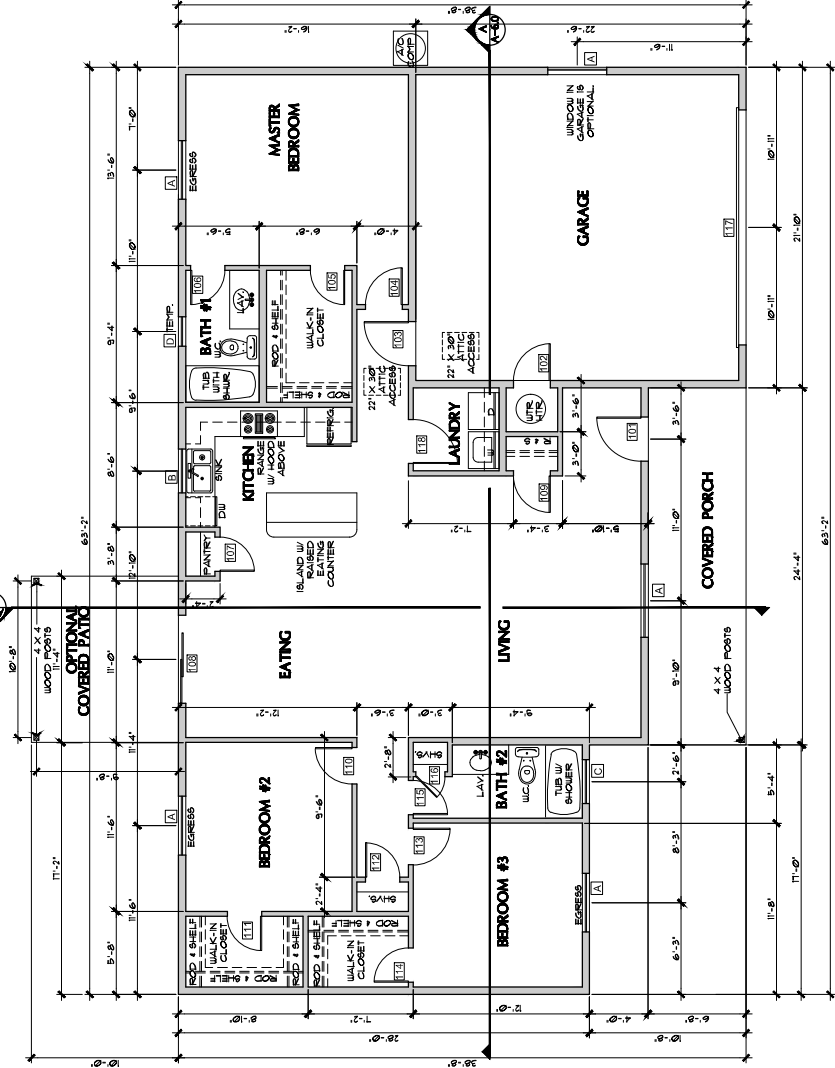
WINDOW SCHEDULE (8' plate height)

MIN.	SIZE	TYPE	REMARKS
A	4040	XO	EGRESS AT BEDROOM
B	3030	XO	
C	3010	XO	
D	2030	SINGLE-HUNG	

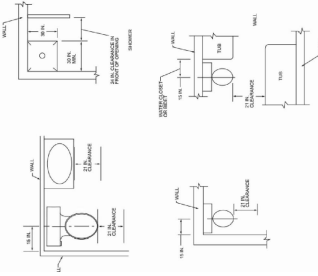
WINDOW SCHEDULE (9' plate height)

MIN.	SIZE	TYPE	REMARKS
A	4050	XO	EGRESS AT BEDROOM
B	3030	XO	MIN. 44" MAX. 44" SILL HEIGHT ABOVE FLOOR
C	3010	XO	
D	2030	SINGLE-HUNG	

NOTE: FENESTRATION IN ZONE 2 (ELEVATIONS BELOW 3500 FT.) SHALL HAVE A MAXIMUM U-FACTOR OF 0.75, AND A MAXIMUM FENESTRATION SHGC FACTOR OF 0.40. FENESTRATION IN ZONE 3 (ELEVATIONS ABOVE 3500 FT.) SHALL HAVE A MAXIMUM U-FACTOR OF 0.40, AND A MAXIMUM FENESTRATION SHGC FACTOR OF 0.40. THE SHGC FACTOR IN ZONE 4 IS NOT APPLICABLE.



FLOOR PLAN (with Garage option)
SCALE: 1/4" = 1'-0"

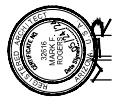


PLUMBING FIXTURE CLEARANCES
NO SCALE
PER IRC FIGURE R507.1

SHEET NO:
A-10

FLOOR PLAN (Garage option)
OPENING SCHEDULES
PHASE TWO - 3 BDRM / 2 BATH - RIGHT PARKING
YAVAPAI COUNTY, ARIZONA
1015 FAIR STREET
PRESCOTT, ARIZONA

Mark Rogers, Architect, PLLC
761 Highland Circle
Chino Valley, Arizona 86323
Phone: (928) 648-3516
markrogers14@gmail.com



PROPERTY OF YAVAPAI COUNTY, AZ

PROPERTY OF YAVAPAI COUNTY, AZ

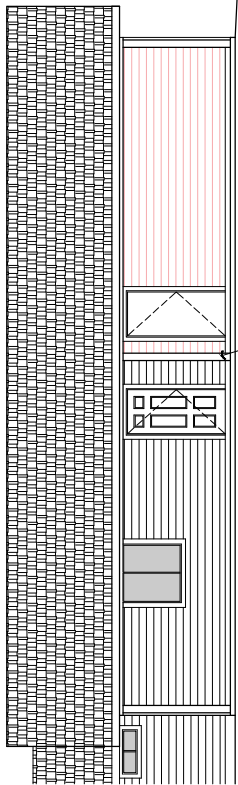
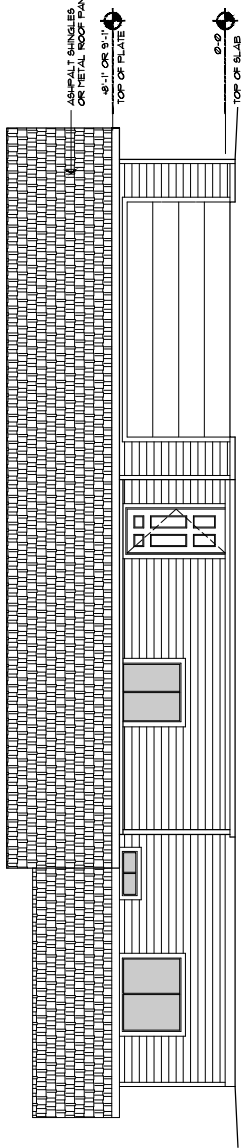
REVIEWED FOR DESIGN
CRITERIA ONLY
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STANDARD REVIEW CRITERIA AND
OWNER/APPLICANT TO REVIEW AND
ACKNOWLEDGE APPLICABLE STAMPS.

Job no. 380/2BA RIGHT
Date 06/24/2024
Drawn by MFR
Checked by MFR
Scale 1/4" = 1'-0"
Revisions:
AS NOTED



FRONT ELEVATION (with optional Garage)

SCALE: 1/4" = 1'-0"



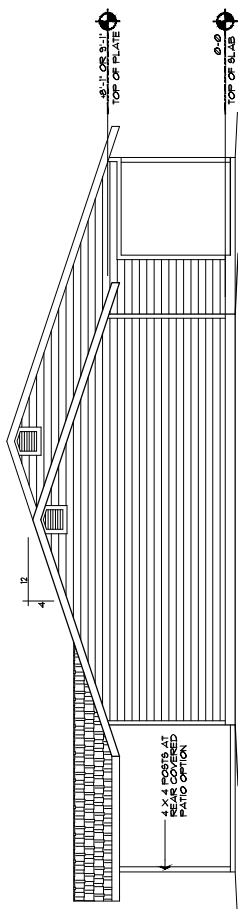
PARTIAL FRONT ELEVATION (with optional Carport)

SCALE: 1/4" = 1'-0"

6' x 6' DOOR AT
GARAGE/POOR OVERHUNG

LEFT SIDE ELEVATION (same with both options)

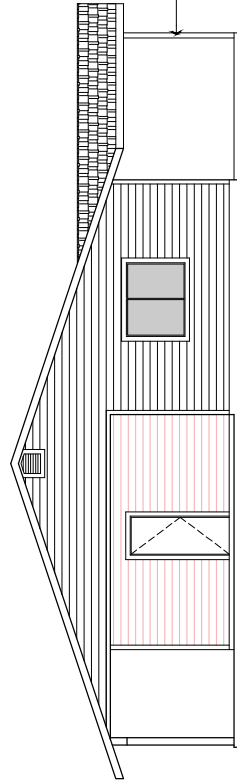
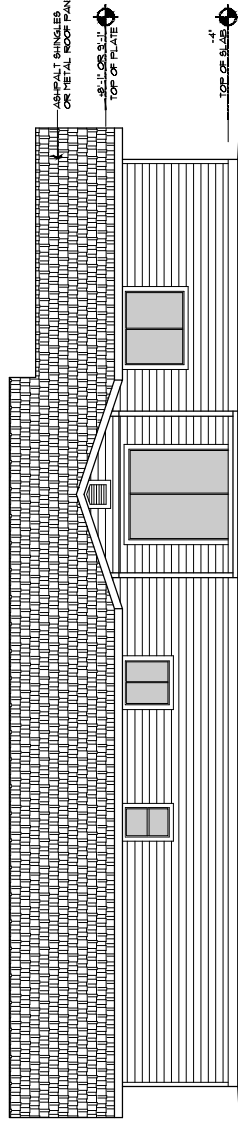
SCALE: 1/4" = 1'-0"



SEE SHEET A-6.0 FOR SIDING OPTIONS

REAR ELEVATION (with optional Garage)

SCALE: 1/4" = 1'-0"

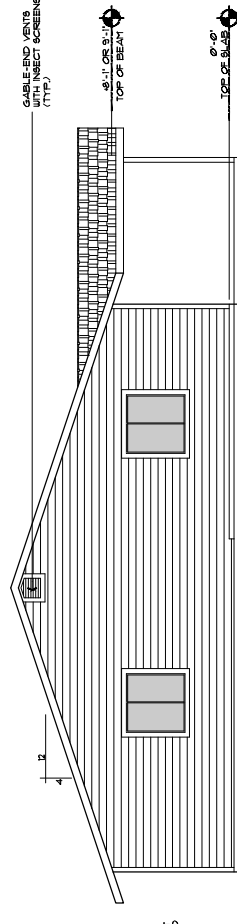


RIGHT SIDE ELEVATION (with optional Carport)

SCALE: 1/4" = 1'-0"

RIGHT SIDE ELEVATION (with Garage option)

SCALE: 1/4" = 1'-0"



Mark Rogers, Architect, PLLC

761 Highland Circle
Chino Valley, Arizona 86323

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PROPERTY OF YAVAPAI COUNTY, AZ

EXTERIOR ELEVATIONS
PHASE TWO - 3 BDRM / 2 BATH - RIGHT PARKING
YAVAPAI COUNTY, ARIZONA

1015 FAIR STREET
PRESCOTT, ARIZONA

SHEET NO:

A-5.0



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6c
MEETING DATE: 5/13/2025
CONTACT PERSON: Katie Pehl, Finance Director
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Continuation of public hearing, consideration, and possible action to approve Resolution No. 2025-1282, adopting a new consolidated fee schedule, and to approve Ordinance No. 2025-951, amending Town Code Chapter 51 - Water and Sewers.

SUMMARY:

Willdan Financial Services has completed a comprehensive user fee study for the Town, excluding water and wastewater fees. The full report is available on the Town's website and at the Town Clerk's office.

Following Willdan's study, staff conducted a detailed review and prepared a modification report outlining current and proposed fee changes, along with an updated consolidated fee schedule. In addition to Willdan's recommendations, staff reviewed water and wastewater deposits, service fees, the standpipe base rate, RV park and mobile home park water and wastewater buy-in fees, and wastewater base charges. Staff also examined the original fee authorizations and addressed prior inconsistencies, such as duplicate and unspecified fees, as part of a general housekeeping update. The last full fee schedule was adopted in October 2012, with various amendments in subsequent years.

Fees are periodically reviewed to ensure they align with the cost of providing services while remaining fair and reasonable for customers. The goal is to achieve cost recovery where appropriate while balancing affordability. The original recommendations were made at the February 11, 2025, Council meeting. Following input from that meeting, revised modification and fee schedules and reports were posted. The changes from the original recommendations are as follows:

- **Athletic Field Lights** - Original recommendation \$15/hour/field; Revised \$25/hour/field.
- **Inspections Outside of Normal Business Hours** - Original recommendation \$200/inspection; Revised \$200/inspection plus an additional \$100/hour or portion thereof in excess of two hours.
- **Re-inspection Fees** - Original recommendation \$80/first re-inspection, \$140 for each subsequent re-inspection; Revised \$140/re-inspection.
- **Penalty for Lot Split** - Original recommendation \$500/lot split; Revised \$1,500/lot split.
- **Fingerprinting** - Original recommendation \$10/card; Revised \$5/card for Non-profit/government, \$10/card all other.
- **Background Check** - Original recommendation \$10/person; Revised \$5/person for Non-profit/Government, \$10/person all other.
- **Standpipe Base Rate** - Original recommendation Tier 1: 0 to 8,000 gallons: \$12.52/1,000 gallons, Tier 2: 8,000 to 15,000 gallons: \$13.93/1,000 gallons, Tier 3: 15,001 to 20,000 gallons: \$15.69/1,000 gallons, Tier 4: 20,001+ gallons: \$18.33/1,000 gallons; Revised Tier 1: 0 to 8,000

gallons: \$14.21/1,000 gallons, Tier 2: 8,000 to 15,000 gallons: \$16.04/1,000 gallons, Tier 3: 15,001 to 20,000 gallons: \$18.88/1,000 gallons, Tier 4: 20,001+ gallons: \$21.76/1,000 gallons.

- **Water Buy-In Fees:** Original recommendation \$2,459.75/RV park space, \$3,935.60/Mobile Home park space; Revised \$4,464.44/RV park space, \$4,464.44/Mobile Home park space.
- **Wastewater Buy-In Fees:** Original recommendation \$3,689.62/RV park space, \$5,903.39/Mobile Home park space; Revised \$7,379.24/RV park space, \$7,379.24/Mobile Home park space.
- **Wastewater Base Fees:** Original recommendation \$30.77/RV park space, \$49.22/Mobile Home park space; Revised \$61.53/RV park space, \$61.53/Mobile Home park space.

The public hearing will continue at this meeting to allow additional input from the community. Following the public hearing, Council has the opportunity to reduce or remove any proposed fee adjustments.

After approval, there are wording changes required in the buy-in fee section of the Town Code under Chapter 51: Water and Sewers. Those changes will be made through the approval of Ordinance No. 2025-951.

The fee changes, upon Council approval, will be effective July 1, 2025.

PREVIOUS ACTION:

On February 11, 2025, Council approved the publication of the Notice of Intent and set a date of April 22, 2025, for the public hearing. The notice was published on the Town's social media page, website, in the Prescott Courier on March 30, 2025, and April 6, 2025, and in the Chino Valley Review on April 2, 2025, and April 9, 2025.

The public hearing was held on April 22, 2025, and was continued to May 13, 2025.

STAFF RECOMMENDATION:

1) Continue the public hearing; 2) Approve Resolution No. 2025-1282, adopting the new consolidated fee schedule with an effective date of July 1, 2025; 3) Approve Ordinance No. 2025-951, amending Chapter 51 - Water and Sewers.

FISCAL IMPACT?

Ensuring that the Town's fee schedule is up to date, transparent, and equitable is essential for maintaining fiscal responsibility and providing quality services to the community. Staff will continue to refine and improve the fee structure as needed to meet the Town's operational and financial goals.

ATTACHMENTS:

1.	RES 2025-1282 - Consolidated Fee Schedule With Exhibits
2.	ORD 2025-951 Amending Chapter 51
3.	CODE - Ch. 51 Code Amendments

RESOLUTION NO. 2025-1282

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, ADOPTING A NEW CONSOLIDATED FEE SCHEDULE; PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chino Valley Town Code § 32.40 allows the Mayor and Common Council of the Town of Chino Valley (the “Town Council”) to adopt fees by resolution; and

WHEREAS, since implementing a consolidated fee schedule on October 23, 2012, via Resolution No. 12-1001, the Town has periodically reviewed and revised its fees to ensure they align with the costs of providing services while remaining fair and reasonable for customers; and

WHEREAS, the Town engaged a third party to conduct a fee study and recommend fee adjustments based on full cost recovery and any appropriate subsidies; and

WHEREAS, the fee study and further review by Town staff, the recommendations of which are set forth in the report attached hereto as Exhibit A and incorporated herein by reference, revealed that many fee adjustments are needed to ensure service sustainability, quality, and accessibility, and that cost recovery could be improved by revising the Town’s fee structure; and

WHEREAS, the Town has met the requirements of A.R.S. §§ 9-499.15 and 9-511.01 to add or increase fees for individuals and businesses and to add or increase water and wastewater rates, rate components, fees, and service charges.

WHEREAS, the Town Council desires to replace the Town’s current consolidated fee schedule with the consolidated fee schedule attached hereto as Exhibit B and incorporated herein by reference (the “Consolidated Fee Schedule”).

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Consolidated Fee Schedule is hereby adopted in substantially the form attached hereto as Exhibit B.

SECTION 3. The Consolidated Fee Schedule will take effect on July 1, 2025.

SECTION 4. All resolutions or parts of resolutions in conflict with the provisions of this resolution are hereby repealed.

SECTION 5. If any section, subsection, sentence, clause, phrase, or portion of this Resolution 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 6. The Mayor, the Town Manager, the Chief Financial Officer, the Town Clerk, and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this resolution.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 13th day of May 2025.

Tom Armstrong, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, P.L.C.

I hereby certify that the above foregoing Resolution No. 2025-1282 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on May 13, 2025, and that quorum was present thereat and that the vote thereon was ____ ayes, ____ nays, and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

EXHIBIT A
TO RESOLUTION NO. 2025-1282

[Recommendations]

See following pages.



Town of Chino Valley FEE MODIFICATIONS REPORT

February 2025

Table of Contents

Department/Division	Page
Community Services	
Aquatics	1
Library	2
Recreation	3
Senior Center	5
Development Services	
Building	6
Planning	12
Municipal Court	15
Police	17
Public Works	
Engineering	19
Utilities - Water	21
Utilities - Wastewater	24
Town Clerk	26

MODIFICATIONS – Community Services: Aquatics

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Daily Use/Admission								
No Change	Ages 0-2 Child	Per Day	No Charge	Resolution 2024-1253	Per Day	No Charge		N/A – This was updated in May 2024
No Change	Ages 3-54	Per Day	3.00	Resolution 2024-1253	Per Day	3.00		N/A – This was updated in May 2024
No Change	Ages 55 and Over	Per Day	2.00	Resolution 2024-1253	Per Day	2.00		N/A – This was updated in May 2024
No Change	Family – 5 Immediate Family Members	Per Day	10.00	Resolution 2024-1253	Per Day	10.00		N/A – This was updated in May 2024
Season Passes								
No Change	Ages 0-2 Child	Per Season	No Charge	Resolution 2024-1253	Per Season	No Charge		N/A – This was updated in May 2024
No Change	Ages 3-54	Per Season	100.00	Resolution 2024-1253	Per Season	100.00		N/A – This was updated in May 2024
No Change	Ages 55 and Over	Per Season	85.00	Resolution 2024-1253	Per Season	85.00		N/A – This was updated in May 2024
No Change	Family – 5 Immediate Family Members	Per Season	300.00	Resolution 2024-1253	Per Season	300.00		N/A – This was updated in May 2024
No Change	Family – Additional Members	Per Season	50.00	Resolution 2024-1253	Per Season	50.00		N/A – This was updated in May 2024
Learn to Swim								
No Change	Swim Lessons	Per 8 Sessions	45.00	Resolution 2024-1253	Per 8 Sessions	45.00	8 sessions, 30 minutes each	N/A – This was updated in May 2024
No Change	Fitness Program Lessons	Per 12 Sessions	45.00	Resolution 2024-1253	Per 12 Sessions	45.00	12 sessions, 1 hour each	N/A – This was updated in May 2024
Aquatic Facility Rental								
No Change	Aquatic Facility Party Room Only	Per 2 Hour Period	75.00	Resolution 2024-1253	Per 2 Hour Period	75.00	Party package	N/A – This was updated in May 2024
No Change	Aquatic Facility (1-200 Guests)	Per 2 Hour Period	300.00	Resolution 2024-1253	Per 2 Hour Period	300.00	Includes required lifeguards	N/A – This was updated in May 2024
No Change	Aquatic Facility (201-400 Guests)	Per 2 Hour Period	400.00	Resolution 2024-1253	Per 2 Hour Period	400.00	Includes required lifeguards	N/A – This was updated in May 2024

MODIFICATIONS – Community Services: Library

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
General								
Eliminate	Photocopies (Includes Ink)	Per Page	0.10	Resolution 12-1001	N/A	N/A		Fee will be eliminated. Photocopy costs will be contained under Town Clerk – General Fees
No Change	Black and White Printing – Public Access Computers Self Service	Per Page	0.10	Resolution 12-1001	Per Page	0.10		N/A
Add	Color Printing – Public Access Computers Self Service	N/A	N/A	N/A	Per Page	0.50		*Currently charging 0.50
No Change	Library Card - New	Per Card	No Charge	Resolution 12-1001	Per Card	No Charge		N/A
No Change	Library Card – Replacement	Per Card	3.00	Resolution 12-1001	Per Card	3.00		N/A
Eliminate	Purchase of 3.5" diskette	Per Item	1.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Eliminate	Purchase of CD-ROM Disks	Per Item	1.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; Media costs will be contained under Town Clerk – General Fees
Eliminate	Flash Drives/Thumb Drives	Per Item	10.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; Media costs will be contained under Town Clerk – General Fees
Consolidate	Overdue Items of Chino Valley Library	Per Day	0.10	Resolution 12-1001	Per Day	0.10	New description: "Overdue Items"	Fees will be consolidated for simplification purposes
Consolidate	Overdue Items of Other Yavapai Network Libraries	Per Day	0.10	Resolution 12-1001				
Consolidate	Overdue Items from Libraries Outside the Yavapai Library Network	Per Day	0.10	Resolution 12-1001				
Consolidate	Item Lost or Destroyed – Chino Valley Library	Per Item	Actual Cost +5.00	Resolution 12-1001	Per Item	Actual Cost +5.00	New description: Lost/Destroyed Items	Fees will be consolidated for simplification purposes
Consolidate	Item Lost or Destroyed – Other Yavapai Network Libraries	Per Item	Actual Cost +5.00	Resolution 12-1001				
Consolidate	Item Lost or Destroyed – Libraries Outside the Yavapai Library Network	Per Item	Actual Cost +5.00	Resolution 12-1001				
Eliminate	Materials Requested from Chino Valley Library	Per Item	0.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated
Eliminate	Materials Requested from Other Yavapai Library Network Libraries	Per Item	0.50	Resolution 12-1001	N/A	N/A		Fee will be eliminated
Eliminate	Materials Requested from Libraries Outside the Yavapai Library Network	Per Item	1.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated
Eliminate	Items Referred to Outside Collection Agency for Collection	Per Item	Library Labor and Admin Cost	Resolution 12-1001	N/A	N/A		Fee will be eliminated

MODIFICATIONS – Community Services: Recreation

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Community Center/Activity Center Rental								
Modify/Add	Private Individuals	Per Hour	36.00	Resolution 12-1001	Per Half Day	150.00	New description: “Room Rental (Half Day)”	Simplification for an easier reservation process
					Per Full Day	300.00	New description: “Room Rental (Full Day)”	Simplification for an easier reservation process
Consolidate	Commercial	Per Hour	60.00	Resolution 12-1001	N/A	N/A		Merged with private individuals’ rate
Add	Deposit	N/A	N/A	N/A	Per Reservation	300.00	Refundable	To protect Town property from damage
Community Center/Activity Center Rental – Non-Profit Organizations								
Modify/Add	Non-Profit	Per Reservation	36.00	Resolution 12-1001	Per Half Day	75.00	New description: “Non-Profit Room Rental (Half Day)”	To mirror the private rental rates with discount for non-profits
					Per Full Day	150.00	New description: “Non-Profit Room Rental (Full Day)”	To mirror the private rental rates with discount for non-profits
Park Ramada Reservation								
Modify	Ramada (Half Day)	Per Half Day	36.00	Resolution 12-1001	Per Season	50.00		To align with other community ramada rentals
Modify	Ramada (Full Day)	Per Half Day	72.00	Resolution 12-1001	Per Season	100.00		To align with other community ramada rentals
Athletic Fields								
Add	Deposit – Youth League and Tournaments	N/A	N/A	N/A	Per Season/Event	500.00	Refundable; forfeit if tournament cancelled less than 14 days prior to event	To protect Town property from damage
Eliminate	CV Youth League Season	One-Time Fee	100.00	Resolution 12-1001	N/A	N/A		Not utilized
Eliminate	CV Youth Athletic Tournaments w/set up	Per Field	65.00	Resolution 12-1001	N/A	N/A		Not utilized
Modify/Add	Non-CV Youth Leagues/Teams & Adult League/Teams w/out set up	Per Field/Hour	25.00	Resolution 12-1001	Per Season	3,000.00	New description: “Youth League (Baseball/Softball)”	Simplification for customer experience and improved cost recovery

MODIFICATIONS – Community Services: Recreation

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
					Per Season	2,000.00	New description: "Youth League (Other)"	Simplification for customer experience and improved cost recovery
					Per Day	1,000.00	New description: "Athletic Tournaments (Off Season)"; Includes set up, cleaning, fence	Simplification for customer experience and improved cost recovery
Add	Deposit – Field Rental – Private	N/A	N/A	N/A	Per Rental	200.00	Refundable	To protect Town property from damage
Add	Field Rental - Private	N/A	N/A	N/A	Per Day	200.00	Includes set up and cleaning	To specify a fee that wasn't previously identified
Add	Temporary Fence Setup	N/A	N/A	N/A	Per Rental	250.00		To specify a fee that wasn't previously identified
Modify	Lights	Per Hour/Field	10.00	Resolution 12-1001	Per Hour/Field	25.00	Excludes leagues and tournaments	To improve cost recovery
Concession Stand								
Add	Deposit	N/A	N/A	N/A	Per Reservation	500.00	Refundable	To protect Town property from damage
Modify	Concession Stand – Community Center Park	Per Day	30.00	Resolution 12-1001	Per Day	100.00	Excludes leagues	To improve the ability to cover associated costs of use, electrical, water, etc.
Special Events								
Modify	Application Filing Fee	Per Event	36.00	Resolution 12-1001	Per Event	25.00	Previously under Town Clerk	*Currently charging 10.00

MODIFICATIONS – Community Services: Senior Center

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Facility Rental								
Modify	Building Use (Half Day)	Per Half Day	100.00	Resolution 12-1001	Per Half Day	150.00		To match the cost of rentals for other Town facilities
Modify	Building Use (Full Day)	Per Full Day	150.00	Resolution 12-1001	Per Full Day	300.00		To match the cost of rentals for other Town facilities
Eliminate	Building Use (Weekly)	Per Month	100.00	Resolution 12-1001	N/A	N/A		Not utilized
Add	Deposit	N/A	N/A	N/A	Per Reservation	300.00	Refundable	To protect Town property from damage
Facility Rental – Non-Profit Organizations								
Modify/Add	Non-Profit	Per Reservation	75.00	Resolution 12-1001	Partial Day	No Charge	New description: “Building Use - Shared”	To provide non-profits access to a shared space for no cost
					Per Full Day	150.00	New description: “Building Use – Private”; Private use	To match the cost of rentals for other Town facilities
Van Transportation Fees								
Consolidate	Local (Chino Valley)	Per Trip/Person	5.00	Resolution 12-1001	Per Trip/Person	Varies	New description: “Trip Fees”; Fee calculated depending on trip details and actual trip cost	To improve cost recovery specific to the actual costs associated with the trip
Consolidate	Quad-City	Per Trip/Person	10.00	Resolution 12-1001				
Consolidate	Yavapai County	Per Trip/Person	15.00	Resolution 12-1001				
Consolidate	Other Arizona	Per Trip/Person	25.00	Resolution 12-1001				
Consolidate	Out of State	Per Trip/Person	Varies	Resolution 12-1001				
Meals								
Modify	Congregate Meals (Under Age 60)	Per Meal/Person	5.00	Resolution 12-1001	Per Meal/Person	6.00	Suggested donation – NOT REQUIRED	*Currently suggesting 6.00; To improve cost recovery
No Change	Congregate Meals (Over Age 60)	Per Meal/Person	4.00	Resolution 12-1001	Per Meal/Person	4.00	Suggested donation – NOT REQUIRED	N/A

MODIFICATIONS – Development Services: Building

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Building Fees – Valuation Based (Use Building Valuation Table)								
No Change	Single Family Residence	Valuation Per Square Foot	80.00	Resolution 12-1001	Valuation Per Square Foot	80.00		N/A
No Change	Unfinished Basement	Valuation Per Square Foot	45.00	Resolution 12-1001	Valuation Per Square Foot	45.00		N/A
No Change	Arizona Room	Valuation Per Square Foot	20.00	Resolution 12-1001	Valuation Per Square Foot	20.00		N/A
Consolidate	Agricultural Buildings – Barns (Wood)	Valuation Per Square Foot	20.00	Resolution 12-1001	Valuation Per Square Foot	15.00	New description: “Agricultural Buildings – Wood/Metal”; Pole Barns; Barns	Simplification
Consolidate	Agricultural Buildings – Metal (Mare Motel)	Valuation Per Square Foot	15.00	Resolution 12-1001				
Consolidate	Agricultural Buildings – Pole Barns	Valuation Per Square Foot	15.00	Resolution 12-1001				
Modify	Patio Covers, Awnings and Canopies – Wood	Valuation Per Square Foot	15.00	Resolution 12-1001	Valuation Per Square Foot	15.00	New description: “Patio Covers, Awnings, Porch, Patio, and Canopies – Wood”	Verbiage changes only
Modify	Patio Covers, Awnings and Canopies – Metal	Valuation Per Square Foot	12.00	Resolution 12-1001	Valuation Per Square Foot	12.00	New description: “Patio Covers, Awnings, Porch, Patio, and Canopies – Metal”	Verbiage changes only
No Change	Carports – Wood	Valuation Per Square Foot	15.00	Resolution 12-1001	Valuation Per Square Foot	15.00		N/A
No Change	Carports – Metal	Valuation Per Square Foot	12.00	Resolution 12-1001	Valuation Per Square Foot	12.00		N/A
No Change	Covered Decks – Wood	Valuation Per Square Foot	20.00	Resolution 12-1001	Valuation Per Square Foot	20.00		N/A
No Change	Covered Decks – Metal	Valuation Per Square Foot	17.00	Resolution 12-1001	Valuation Per Square Foot	17.00		N/A
Modify	Uncovered Decks	Valuation Per Square Foot	12.00	Resolution 12-1001	Valuation Per Square Foot	12.00	New description: “Decks”	Verbiage changes only
Add	Conversion – Garage to Habitable	N/A	N/A	N/A	Valuation Per Square Foot	60.00		To specify a valuation previously not included
Add	Conversion – Patio to Habitable	N/A	N/A	N/A	Valuation Per Square Foot	65.00		To specify a valuation previously not included
Consolidate	Garages –Metal	Valuation Per Square Foot	20.00	Resolution 12-1001	Valuation Per Square Foot	20.00	New description: “Garages – Masonry, Metal, Wood”	Simplification
Consolidate	Garages –Wood	Valuation Per Square Foot	20.00	Resolution 12-1001				
Consolidate	Garages – Masonry	Valuation Per Square Foot	20.00	Resolution 12-1001				

MODIFICATIONS – Development Services: Building

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Consolidate	Gazebos – Metal	Valuation Per Square Foot	12.00	Resolution 12-1001	Valuation Per Square Foot	12.00	New description: “Gazebos – Wood/Metal”	Simplification
Consolidate	Gazebos – Wood	Valuation Per Square Foot	12.00	Resolution 12-1001				
Modify	Fences Over Six Feet in Height – Concrete or Masonry	Valuation Per Lineal Foot	12.00	Resolution 12-1001	Valuation Per Linear Foot	12.00		Verbiage changes only
Modify	Fences Over Six Feet in Height – All Other	Valuation Per Lineal Foot	9.00	Resolution 12-1001	Valuation Per Linear Foot	9.00		Verbiage changes only
No Change	Foundations Only	Percentage of Planned Structure Valuation	25%	Resolution 12-1001	Percentage of Planned Structure Valuation	25%		N/A
No Change	Ramadas (Structure Over Manufactured Home)	Valuation Per Square Foot	15.00	Resolution 12-1001	Valuation Per Square Foot	15.00		N/A
Add	Residential Remodel or Addition	N/A	N/A	N/A	Valuation Per Square Foot	100.00		To specify a fee previously not included
Modify	Retaining Walls Over Four Feet	Valuation Per Lineal Foot	12.00	Resolution 12-1001	Valuation Per Linear Foot	12.00		Verbiage changes only
Modify	Storage Buildings or Sheds Larger Than 120 Square Feet – Metal	Valuation Per Square Foot	7.00	Resolution 12-1001	Valuation Per Square Foot	7.00	New description: “Storage Buildings or Sheds Larger Than 200 Square Feet – Metal”	Change of square footage of building to match practice
Modify	Storage Buildings or Sheds Larger Than 120 Square Feet – Wood	Valuation Per Square Foot	9.00	Resolution 12-1001	Valuation Per Square Foot	9.00	New description: “Storage Buildings or Sheds Larger Than 200 Square Feet – Wood”	Change of square footage of building to match practice
Eliminate	Shed Larger Than 200 Square Feet with Other Than a Walk Through Doors are Garages	Valuation Per Square Foot	20.00	Resolution 12-1001	N/A	N/A		Not utilized
No Change	Tenant Improvements	Valuation Per Square Foot	14.00	Resolution 12-1001	Valuation Per Square Foot	14.00		N/A
Eliminate	Tenant Improvements	Valuation Per Square Foot	13.00	Resolution 12-1001	N/A	N/A		Duplicate fee
Building Fees – Flat Rate								
Consolidate	Commercial Hoods – Type 1 & Type 2 Primary + Secondary for Add'l Hoods	First Hood	154.00	Resolution 12-1001	First Hood	220.00	New description: “Commercial Hoods – Type 1 and 2”	Simplification and clarity; improve cost recovery
Consolidate	Commercial Hoods – Each Additional Hood	Per Each Additional Hood	103.00	Resolution 12-1001	Per Each Additional Hood	110.00		Simplification and clarity; improve cost recovery
Add	Demolition – Commercial	N/A	N/A	N/A	Per Permit	100.00	No plan review fee	To specify a fee previously not included

MODIFICATIONS – Development Services: Building

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Add	Demolition – Residential	N/A	N/A	N/A	Per Permit	100.00	No plan review fee	To specify a fee previously not included
Modify	Fireplaces/Free Standing Stoves	Per Fireplace/Stove	80.00	Resolution 12-1001	Per Fireplace/Stove	95.00	Excluding new construction	To improve cost recovery
Modify	Pools Requiring a Permit	Per Pool	256.80	Resolution 12-1001	Per Pool	400.00		To improve cost recovery
Modify	Plumbing, Electrical, and Mechanical Fee	Per Permit Type	80.00	Resolution 12-1001	Per Permit Type	110.00		To improve cost recovery
Modify	Roof Structure Replacement	Per Roof	154.00	Resolution 12-1001	Per Roof	180.00		To improve cost recovery
Add	Solar – Ground Mount	N/A	N/A	N/A	Per System	220.00	No plan review fee	To specify a fee previously not included
Add	Solar – Roof Mount	N/A	N/A	N/A	Per System	220.00	No plan review fee	To specify a fee previously not included
Add	Solar – Labor Values <5,000	N/A	N/A	N/A	Per System	220.00	No plan review fee	To specify a fee previously not included
No Change	Underground Storage Tanks Over 5,000 Gallons	Per Tank	154.00	Resolution 12-1001	Per Tank	154.00		N/A
Eliminate	Underground Storage Tanks Over 5,000 Gallons	Per Tank	100% Cost Recovery	Resolution 12-1001	N/A	N/A		Duplicate fee
Inspections/Other								
Modify	Inspections Outside of Normal Business Hours	Per Inspection	100.00	Resolution 12-1001	Per Inspection	200.00	Includes first two hours	To improve cost recovery
					Per Additional Hour (or portion thereof)	100.00	Applies to each hour or portion thereof in excess of two hours	Per Additional Hour (or portion thereof)
Eliminate	Inspections Outside of Normal Business Hours	Per Inspection	100% Cost Recovery	Resolution 12-1001	N/A	N/A		Duplicate fee
Modify	Reinspection Fees	Per Inspection	80.00	Resolution 12-1001	Per Inspection	140.00		To improve cost recovery
Eliminate	Reinspection Fees	Per Inspection	80.00	Resolution 12-1001	N/A	N/A		Duplicate fee
No Change	Additional Plan Review Required by Changes to Approved Plans	Per Hour	50.00	Resolution 12-1001	Per Hour	50.00		N/A

MODIFICATIONS – Development Services: Building

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Plan Review								
Consolidate	Single Family Residence – 1000 SQF	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%	New description: “Single Family Residence”	Simplification
Consolidate	Single Family Residence – 2000 SQF	Percentage of Permit Fee	65%	Resolution 12-1001				
Consolidate	Single Family Residence – 3000 SQF	Percentage of Permit Fee	65%	Resolution 12-1001				
Consolidate	Single Family Residence – 4000 SQF	Percentage of Permit Fee	65%	Resolution 12-1001				
Consolidate	Single Family Residence – >4000 SQF	Percentage of Permit Fee	65%	Resolution 12-1001				
No Change	Unfinished Basement	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
No Change	Arizona Room	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
Consolidate	Agricultural Buildings – Barns (Wood)	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%	New description: “Agricultural Buildings – Wood/Metal”; Pole Barns; Barns	Verbiage changes only
Consolidate	Agricultural Buildings – Metal (Mare Motel)	Percentage of Permit Fee	65%	Resolution 12-1001				
Consolidate	Agricultural Buildings – Pole Barns	Percentage of Permit Fee	65%	Resolution 12-1001				
Modify	Patio Covers, Awnings and Canopies – Wood	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%	New description: “Patio Covers, Awnings, Porch, Patio, and Canopies – Wood”	Verbiage changes only
Modify	Patio Covers, Awnings and Canopies – Metal	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%	New description: “Patio Covers, Awnings, Porch, Patio, and Canopies – Metal”	Verbiage changes only
No Change	Carports – Wood	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
No Change	Carports – Metal	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
Consolidate	Commercial Hoods – Type 1 & Type 2 Primary + Secondary for Add’l Hoods	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%	New description: “Commercial Hoods – Type 1 and 2”	Simplification
Consolidate	Commercial Hoods – Each Additional Hood	Percentage of Permit Fee	65%	Resolution 12-1001				
No Change	Covered Decks – Wood	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A

MODIFICATIONS – Development Services: Building

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
No Change	Covered Decks – Metal	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
Add	Conversion – Garage to Habitable	N/A	N/A	N/A	Percentage of Permit Fee	65%		To specify a fee previously not included
Add	Conversion – Patio to Habitable	N/A	N/A	N/A	Percentage of Permit Fee	65%		To specify a fee previously not included
Modify	Uncovered Decks	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%	New description: “Decks”	Word change only
Consolidate	Garages –Metal	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%	New description: “Garages – Masonry, Metal, Wood”	Verbiage changes only
Consolidate	Garages –Wood	Percentage of Permit Fee	65%	Resolution 12-1001				
Consolidate	Garages – Masonry	Percentage of Permit Fee	65%	Resolution 12-1001				
Consolidate	Gazebos – Metal	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%	New description: “Gazebos – Wood/Metal”	Verbiage changes only
Consolidate	Gazebos – Wood	Percentage of Permit Fee	65%	Resolution 12-1001				
No Change	Fences Over Six Feet in Height – Concrete or Masonry	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
No Change	Fences Over Six Feet in Height – All Other	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
No Change	Fireplaces/Free Standing Stoves	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%	Excluding new construction	N/A
No Change	Foundations Only	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
No Change	Plumbing, Electrical, and Mechanical Fee	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
No Change	Pools Requiring a Permit	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
No Change	Ramadas (Structure Over Manufactured Home)	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
Add	Residential Remodel or Addition	N/A	N/A	N/A	Percentage of Permit Fee	65%		To specify a fee previously not included
No Change	Retaining Walls Over Four Feet	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
No Change	Roof Structure Replacement	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
Modify	Storage Buildings or Sheds Larger Than 120 Square Feet – Metal	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%	New description: “Storage Buildings or Sheds Larger Than 200 Square Feet – Metal”	Change of square footage of building to match practice

MODIFICATIONS – Development Services: Building

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Modify	Storage Buildings or Sheds Larger Than 120 Square Feet – Wood	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%	New description: "Storage Buildings or Sheds Larger Than 200 Square Feet – Wood"	Change of square footage of building to match practice
Eliminate	Shed Larger Than 200 Square Feet with Other Than a Walk Through Doors are Garages	Percentage of Permit Fee	65%	Resolution 12-1001	N/A	N/A		Not utilized
No Change	Tenant Improvements	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
No Change	Underground Storage Tanks Over 5,000 Gallons	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A
Other								
No Change	Additional Plan Review Required by Changes to Approved Plans	Percentage of Permit Fee	65%	Resolution 12-1001	Percentage of Permit Fee	65%		N/A

MODIFICATIONS – Development Services: Building Valuation Table

Proposed Action	Minimum Value	Maximum Value	Base Rate	Plus	For Every Additional (or fraction thereof)	Current Fee Authorization	Base Rate*	Plus*	For Every Additional (or fraction thereof)	Basis for Change
Modify	0.00	500.00	75.00	0.00	0	Resolution 12-1001	91.14	0.00	0	To improve cost recovery to 90%
Modify	501.00	2,000.00	75.00	3.81	100	Resolution 12-1001	91.14	4.63	100	
Modify	2,001.00	25,000.00	132.15	17.50	1,000	Resolution 12-1001	160.59	21.27	1,000	
Modify	25,001.00	50,000.00	496.25	12.62	1,000	Resolution 12-1001	603.04	15.34	1,000	
Modify	50,001.00	100,000.00	804.55	8.75	1,000	Resolution 12-1001	977.69	10.63	1,000	
Modify	100,001.00	500,000.00	1,242.18	7.00	1,000	Resolution 12-1001	1,509.50	8.51	1,000	
Modify	500,001.00	1,000,000.00	4,042.18	5.93	1,000	Resolution 12-1001	4,912.06	7.21	1,000	
Modify	1,000,000.00	and Up	7,007.18	3.93	1,000	Resolution 12-1001	8,515.13	4.78	1,000	

*Increase by CPI each year on July 1 starting in 2026.

MODIFICATIONS – Development Services: Planning

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
General								
Consolidate	Land Use: Rezone – Advertising Fee	Per Legal Ad Required	115.00	Resolution 12-1001	Per Ad	115.00	New description: “Advertisement Fee”; For legal or other required ads	Simplification
Consolidate	Land Use: Subdivision & PAD – Advertising Fee	Per Ad	115.00	Resolution 12-1001				
Consolidate	Land Use: Conditional Use Permit – Advertising Fee	Per Legal Ad Required	115.00	Resolution 12-1001				
Consolidate	Annexations (Legal Ad Fees)	Per Ad	115.00	Resolution 12-1001				
Consolidate	Land Use: Board of Adjustment – Advertising Fee	Per Legal Ad Required	115.00	Resolution 12-1001				
No Change	Zoning Maps (8.5” x 11”)	Per Map	5.00	Resolution 12-1001	Per Map	5.00		N/A
No Change	Zoning Maps (11” x 17”)	Per Map	10.00	Resolution 12-1001	Per Map	10.00		N/A
Modify	Zoning Maps (22” x 36”)	Per Map	20.00	Resolution 12-1001	Per Map	25.00	New description: “Zoning Maps (24” x 36”)”	Size change; to improve cost recovery
Modify	Zoning Maps (34” x 44”)	Per Map	25.00	Resolution 12-1001	Per Map	30.00	New description: “Zoning Maps (36” x 48”)”	Size change; to improve cost recovery
Land Divisions								
Modify	Land Use: Minor Land Division (Lot Split) Application	Per Application	45.00	Resolution 12-1001	Per Application	300.00	New description: “Lot Split, Consolidation, or Lot Line Adjustment Application Fee”; Per lot fee is in addition	To improve cost recovery
Add	Subdivision Preliminary Plat – Application Fee	N/A	N/A	N/A	Per Application	2,400.00	Per lot fee and advertisement fee are in addition	To specify a fee previously not included; add clarity
Add	Subdivision Final Plat – Application Fee	N/A	N/A	N/A	Per Application	2,400.00	Per lot fee and advertisement fee are in addition	To specify a fee previously not included; add clarity
Modify	Land Use: Subdivision & PAD – Preliminary & Final Plat Review	Per Each	800.00	Resolution 12-1001	Per Application	2,400.00	New description: “Minor Subdivision Final Plat – Application Fee”; Per lot fee and advertisement fee are in addition	To improve cost recovery
Eliminate	Land Use: Minor Land Division (Lot Split) Fee for Each Newly Created Parcel	Per New Parcel	15.00	Resolution 12-1001	N/A	N/A		Simplification

MODIFICATIONS – Development Services: Planning

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Modify	Land Use: Subdivision & PAD – Preliminary & Final Plat Review	Per Lot	20.00	Resolution 12-1001	Per Lot	50.00	New description: “Lot Fee”; Applicable on all land divisions	To improve cost recovery
Modify	Land Use: Failure to Record Minor Land Division (Lot Split) with Town Prior to Title Transfer	Per Lot Split	45.00	Resolution 12-1001	Per Lot Split	1,500.00	New description: “Penalty”; Applied to lot splits recorded without Town approval	To improve cost recovery
Annexations								
Modify	Annexations	Per Application	500.00	Resolution 12-1001	Per Application	500.00	New description: “Annexations Application Fee”; Per acre fee and advertisement fee are in addition	To improve cost recovery
Add	Annexations Per Acre Fee	N/A	N/A	N/A	Per Acre	75.00		
Add	Pre-Annexation Development Agreement	N/A	N/A	N/A	Per Agreement	10,000.00		To specify a fee previously not included; to improve cost recovery
Land Use								
Modify/Add	Land Use: Rezone (+10.00 Acre)	Per Application	400.00 + 10.00 per acre	Resolution 12-1001	Per Application	1,500.00	New description: “Rezone Application – Residential”; Per acre fee and advertisement fee are in addition	To improve cost recovery
					Per Acre	20.00	New description: “Rezone Acre Fee – Residential”	To improve cost recovery
					Per Application	1,200.00	New description: “Rezone Application – Commercial”; Per acre fee and advertisement fee are in addition	To improve cost recovery
					Per Acre	30.00	New description: “Rezone Acre Fee – Commercial”;	To improve cost recovery
Modify	Land Use: Signs – Temporary Signs	Per Month	5.00	Resolution 12-1001	Per Month	5.00	New description: “Signs – Temporary”	Verbiage change only
Modify	Land Use: Signs – Permanent Signs	Per Sign	100.00	Resolution 12-1001	Per Sign	125.00	New description: “Signs – Permanent”	To improve cost recovery
Modify	Land Use: Commission Site Plan Review	Per Review	100.00	Resolution 12-1001	Per Review	250.00	New description: “Site Plan Review”	To improve cost recovery

MODIFICATIONS – Development Services: Planning

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Modify	Land Use: Conditional Use Permit – Initial Application	Per Application	400.00	Resolution 12-1001	Per Application	1,000.00	New description: “Conditional Use Permit Application”	To improve cost recovery
Add	Conditional Use Permit Acre Fee	N/A	N/A	N/A	Per Acre	20.00		To improve cost recovery
Add	Land Use Permit	N/A	N/A	N/A	Per Permit	75.00	Fence, <200sqft shed, ancillary structures, and metal storage containers	To improve cost recovery
Modify	Land Use: Board of Adjustment	Per Variance	121.00	Resolution 12-1001	Per Variance	500.00	New description: “Variance”; Advertisement fee is in addition	To improve cost recovery
General Plan								
Modify	Land Use: General Plan Amendment – Residential	Per Amendment	200.00	Resolution 12-1001	Per Amendment	5,000.00	Advertisement fee is in addition	To improve cost recovery
Modify	Land Use: General Plan Amendment – Other	Per Amendment	400.00	Resolution 12-1001	Per Amendment	10,000.00	Advertisement fee is in addition	To improve cost recovery
Zoning Code								
Modify	Text Amendment – As Pertains to Code Amendments	Per Amendment	250.00	Resolution 12-1001	Per Amendment	500.00	New description: “Text Amendment”; Advertisement fee is in addition	To improve cost recovery
Add	Zoning Verification Letter	N/A	N/A	N/A	Per Letter	200.00		To specify a fee previously not included; to improve cost recovery
Add	Interpretation Letter	N/A	N/A	N/A	Per Letter	800.00		To specify a fee previously not included; to improve cost recovery
Add	Written Interpretation Appeal	N/A	N/A	N/A	Per Appeal	1,500.00	Advertisement fee is in addition	To specify a fee previously not included; to improve cost recovery
Development Agreements/Improvement Districts								
Add	Development Agreement – Minor	N/A	N/A	N/A	Per Agreement	2,500.00		To specify a fee previously not included; to improve cost recovery
Add	Development Agreement – Major	N/A	N/A	N/A	Per Agreement	5,000.00		To specify a fee previously not included; to improve cost recovery
Add	Maintenance Improvement District	N/A	N/A	N/A	Per District	2,500.00		To specify a fee previously not included; to improve cost recovery

MODIFICATIONS – Municipal Court

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Reports and Services								
Add	Record Duplication Fee	N/A	N/A	N/A	Per Record	25.00	Set by State; ARS §22-404	To specify a fee previously not included
Modify	Research in Locating a Document Fee	Per Document	17.00	Resolution 16-1075	Per Document	25.00	Set by State; ARS §22-404; assessed to requests for extensive records searches, case file copying, copying of recorded court proceedings	Adjust per Judge
Add	Minimum Clerk Fee	N/A	N/A	N/A	Per Request	25.00	Set by State; ARS §22-404	To specify a fee previously not included
No Change	Case File Copies	Per Page	0.50	Resolution 16-1075	Per Page	0.50	Set by State; ARS §22-404; assessed to any non-party request for copies of a case, except governmental agencies	N/A
Add	CD Fee	N/A	N/A	N/A	Per CD	3.00	For audio recording excluding criminal appeals	To specify a fee previously not included
Modify	NSF Service Fee	Per NSF	35.00	Resolution 16-1075	Per NSF	48.00	Assessed to cases where payment by check is returned by financial institution for insufficient funds	To improve cost recovery
Court Fees								
No Change	Court Improvement Fee	Per Case	40.00	Resolution 16-1075	Per Case	40.00	Assessed to all Court Cases	N/A
Modify/Add	Warrant Fee	Per Case	100.00	Resolution 16-1075	Per Case	100.00	New description: "Warrant Fee – Pre Adjudication"; Assessed to cases when a new arrest warrant is issued; no warrant on long form complaint	Split to account for pre and post adjudication
					Per Case	150.00	New description: "Warrant Fee – Post Adjudication"; Assessed to cases when a new arrest warrant is issued	Split to account for pre and post adjudication
Add	Default Civil Traffic and Code Violations Fee	N/A	N/A	N/A	Per Charge	20.00		To specify a fee previously not included
Eliminate	Suspended License Fee	Per Case	50.00	Resolution 16-1075	N/A	N/A		Fee will be eliminated per State law change

MODIFICATIONS – Municipal Court

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Modify	Traffic Case Processing Fee	Per Case	15.00	Resolution 16-1075	Per Case	20.00	Assessed to violations of the State Transportation statute or Town traffic code relating to traffic movement or control	Adjust per Judge
Modify	Deferred Prosecution Fee	Per Case	0.00-500.00	Resolution 16-1075	Per Case	150.00	Assessed when a defendant enters a deferred prosecution agreement	*Currently charging 125.00
Modify	Indigent Defense Fee	Per Case	375.00	Resolution 16-1075	Per Case	0.00-500.00	Represented in court by a public defender	To allow range of fee at discretion of Judge
Eliminate	Suspended Sentencing Fee	Per Case	0.00-500.00	Resolution 16-1075	N/A	N/A		Fee will be eliminated
No Change	Jail Reimbursement Fee	First Day	150.00	Resolution 16-1075	First Day	150.00	Set by County; pursuant to Town Code §34.22(1), this fee is assessed to any person convicted of a misdemeanor and sentenced to a term of incarceration in the county jail or other detention facility	N/A
		Each Day Thereafter	70.00	Resolution 16-1075	Each Day Thereafter	70.00		

MODIFICATIONS – Police

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Reports and Services								
Add	Police Report Copy	N/A	N/A	N/A	Per Report	10.00		Previously charged under Town Clerk Records Request
Add	Statistical Report	N/A	N/A	N/A	Per Report	20.00		Previously charged under Town Clerk Records Request
Modify	Fingerprinting	Per Card	5.00	Resolution 12-1001	Per Card	5.00	New description: "Fingerprinting – Non-Profit/Government"	To provide a discount to non-profit/government
					Per Card	10.00	New description: "Fingerprinting – All Other"	To provide better cost recovery
No Change	Level 1 VIN Inspection – On-Site	Per VIN	10.00	Resolution 12-1001	Per VIN	10.00		N/A
No Change	Level 1 VIN Inspection – Off-Site	Per VIN	20.00	Resolution 12-1001	Per VIN	20.00		N/A
Add	Background Check	N/A	N/A	N/A	Per Person	5.00	New description: "Background Check – Non-Profit/Government"	To provide a discount to non-profit/government
					Per Person	10.00	New description: "Background Check – All Other"	Added to compare with other municipalities
Digital Recordings								
Add	Video/Body Camera Footage	N/A	N/A	N/A	Per Video Hour Reviewed	46.00	Set by ARS §39-129	Previously charged under Town Clerk Records Request
Add	CVPD Video Recordings	N/A	N/A	N/A	Per Video Hour	40.00	Excludes body camera footage	Previously charged under Town Clerk Records Request
Animal Control								
No Change	Dog License – Altered	Per Year	8.00	Resolution 12-1001	Per Year	8.00		N/A
No Change	Dog License – Unaltered	Per Year	36.00	Resolution 12-1001	Per Year	36.00		N/A
No Change	Late Fee	Per License	8.00	Resolution 17-1114	Per License	8.00		N/A
Consolidate	Impound Fee with Pickup	Per Occurrence	30.00	Resolution 12-1001	Per Occurrence	30.00	New description: "Impound Fee"; Additional boarding fees may apply	Simplification
Consolidate	Impound Fee without Pickup	Per Occurrence	24.00	Resolution 12-1001				

MODIFICATIONS – Police

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Eliminate	Transportation Fee	Per Trip	0.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated
No Change	Boarding Fee	Per Day	12.00	Resolution 12-1001	Per Day	12.00		N/A
Modify	Biting Dog Retrieval Fee	Per Dog/Per Incident	25.00	Resolution 17-1114	Per Dog/Per Incident	50.00		To provide better cost recovery
Eliminate	Rabies Shot	Per Shot	10.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated
Adoption								
Modify	Adoption Fee Unaltered Female Dog	Per Dog	85.00	Resolution 12-1001	Per Animal	250.00	New description: "Canine – Up to 6 Months"	*Currently charging 200.00
Modify	Adoption Fee Unaltered Male Dog	Per Dog	70.00	Resolution 12-1001	Per Animal	175.00	New description: "Canine – 6 Months to 1 Year"	*Currently charging 175.00
Modify	Adoption Fee Altered Dog	Per Dog	25.00	Resolution 12-1001	Per Animal	150.00	New description: "Canine – Over 1 Year"	*Currently charging 150.00
Add	Feline – Up to 6 Months	N/A	N/A	N/A	Per Animal	125.00		*Currently charging 115.00
Add	Feline – Over 6 Months	N/A	N/A	N/A	Per Animal	100.00		*Currently charging 50.00

MODIFICATIONS – Public Works: Engineering

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Engineering Services								
Consolidate	Engineering Reports: Drainage, Water, Sewer (4 hr. minimum)	Per Hour	100.00	Resolution 12-1001	Per Hour	150.00	4 hour minimum; includes 1 st and 2 nd review	Simplification; improve cost recovery
Consolidate	Engineering Reports: Traffic (4 hr. minimum)	Per Hour	100.00	Resolution 12-1001				
Modify	Engineering Plan Review	Per Sheet	350.00	Resolution 12-1001	Per Sheet	375.00	Applicable to 1 st and 2 nd review; each review billed separately	Improve cost recovery
		Per Sheet	150.00	Resolution 12-1001	Per Sheet	100.00	3 rd and subsequent reviews	Improve cost recovery
Consolidate	Third Party Engineering Services: Plan & Report Review	Per Review	400.00	Resolution 12-1001	Per Review/ Inspection	Actual Cost +5%	New description: "Third Party Engineering Services"; Plan/report review; inspection of utility lines/streets	Simplification
Consolidate	Third Party Engineering Services: Inspection – Utility Lines & Streets	Per Inspection	Actual Cost +5%	Resolution 12-1001				
No Change	As-Built Plans	Per Sheet	100.00	Resolution 12-1001	Per Sheet	100.00		N/A
Construction Inspection: Utility Lines (Water, Sewer, Storm Drain & Channels, Gas, Electric, Etc.)								
Consolidate	0 to 1,000 Lineal Feet	Per Lineal Foot	0.40	Resolution 12-1001	Per Linear Foot	1.00	New description: "0 to 2,500 Linear Feet"	Simplification; improve cost recovery
Consolidate	1,001 to 2,000 Lineal Feet	Per Lineal Foot	0.38	Resolution 12-1001				
Consolidate	2,001 to 3,000 Lineal Feet	Per Lineal Foot	0.34	Resolution 12-1001	Per Linear Foot	0.90	New description: "2,501 to 5,000 Linear Feet"	Simplification; improve cost recovery
Consolidate	3,001 to 4,000 Lineal Feet	Per Lineal Foot	0.30	Resolution 12-1001				
Consolidate	4,001 to 5,000 Lineal Feet	Per Lineal Foot	0.27	Resolution 12-1001				
Modify	5,001+ Lineal Feet	Per Lineal Foot	0.25	Resolution 12-1001	Per Linear Foot	0.80	New description: "5,001+ Linear Feet"	Improve cost recovery
Construction Inspection: Streets								
Consolidate	0 to 2,000 Square Yards	Per Square Yard	0.35	Resolution 12-1001	Per Square Yard	1.00	New description: "0 to 7,000 Square Yards"	Simplification; improve cost recovery
Consolidate	2,001 to 4,000 Square Yards	Per Square Yard	0.34	Resolution 12-1001				
Consolidate	4,001 to 6,000 Square Yards	Per Square Yard	0.32	Resolution 12-1001				

MODIFICATIONS – Public Works: Engineering

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Consolidate	6,001 to 8,000 Square Yards	Per Square Yard	0.30	Resolution 12-1001	Per Square Yard	0.90	New description: “7,001 to 14,000 Square Yards”	Simplification; improve cost recovery
Consolidate	8,001 to 10,000 Square Yards	Per Square Yard	0.28	Resolution 12-1001				
Consolidate	10,001 to 12,000 Square Yards	Per Square Yard	0.26	Resolution 12-1001				
Modify	12,001+ Square Yards	Per Square Yard	0.27	Resolution 12-1001	Per Square Yard	0.80	New description: “14,001+ Square Yards”	Improve cost recovery
Right-of-Way Permits								
Modify	Base Rate	Per Permit	70.00	Resolution 12-1001	Per Permit	150.00	Includes 1 st inspection	*Currently also charge 0.25 per linear foot for 1 st inspection
Modify	2 nd & Subsequent Inspections	Per Inspection	70.00	Resolution 12-1001	Per Inspection	100.00		Improve cost recovery
Modify	Driveway Culvert Installation and Driveways	Per Permit	30.00	Resolution 12-1001	Per Permit	70.00	Includes inspections	Improve cost recovery
Grading Plan Review								
Consolidate	0 to 50 Cubic Yards	Per Plan	40.00	Resolution 12-1001	Per Plan	150.00	New description: “0 to 200 Cubic Yards”	Simplification; improve cost recovery
Consolidate	51 to 100 Cubic Yards	Per Plan	75.00	Resolution 12-1001				
Modify	101 to 1,000 Cubic Yards	Per Plan	140.00	Resolution 12-1001	Per Plan	280.00	New description: “201 to 1,000 Cubic Yards”	Improve cost recovery
Modify	1,001 to 10,000 Cubic Yards	Per Plan	210.00	Resolution 12-1001	Per Plan	550.00		Improve cost recovery
Modify	10,001 to 100,000+ Cubic Yards	Per Plan	280.00	Resolution 12-1001	Per Plan	1,100.00	New description: “10,001+ Cubic Yards”	Improve cost recovery
Grading Permit Construction Inspection								
Consolidate	0 to 50 Cubic Yards	Per Permit	16.00	Resolution 12-1001	Per Permit	150.00	New description: “0 to 200 Cubic Yards”	Simplification; improve cost recovery
Consolidate	51 to 100 Cubic Yards	Per Permit	38.00	Resolution 12-1001				
Modify	101 to 1,000 Cubic Yards	Per Permit	134.00	Resolution 12-1001	Per Permit	280.00	New description: “201 to 1,000 Cubic Yards”	Improve cost recovery
Modify	1,001 to 10,000 Cubic Yards	Per Permit	390.00	Resolution 12-1001	Per Permit	550.00		Improve cost recovery
Modify	10,001+ Cubic Yards	Per Permit	775.00	Resolution 12-1001	Per Permit	1,100.00		Improve cost recovery

MODIFICATIONS – Public Works: Utilities - Water

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Base Charges								
No Change	Residential and Commercial ¾" Meter	Per Meter/Month	6.90	Resolution 2023-1235	Per Meter/Month	6.90	Increases to 7.10 on 1/1/2026	N/A
No Change	Residential and Commercial 1" Meter	Per Meter/Month	11.52	Resolution 2023-1235	Per Meter/Month	11.52	Increases to 11.87 on 1/1/2026	N/A
No Change	Commercial 1 ½" Meter	Per Meter/Month	22.99	Resolution 2023-1235	Per Meter/Month	22.99	Increases to 23.68 on 1/1/2026	N/A
No Change	Commercial 2" Meter	Per Meter/Month	36.78	Resolution 2023-1235	Per Meter/Month	36.78	Increases to 37.88 on 1/1/2026	N/A
No Change	Commercial 3" Meter	Per Meter/Month	69.01	Resolution 2023-1235	Per Meter/Month	69.01	Increases to 71.08 on 1/1/2026	N/A
No Change	Commercial 4" Meter or Larger	Per Meter/Month	115.14	Resolution 2023-1235	Per Meter/Month	115.14	Increases to 118.59 on 1/1/2026	N/A
Volume Charges								
No Change	Tier 1: 0 to 8,000 gallons	Per 1,000 Gallons	5.62	Resolution 2023-1235	Per 1,000 Gallons	5.62	Increases to 5.79 on 1/1/2026	N/A
No Change	Tier 2: 8,000 to 15,000 gallons	Per 1,000 Gallons	7.03	Resolution 2023-1235	Per 1,000 Gallons	7.03	Increases to 7.24 on 1/1/2026	N/A
No Change	Tier 3: 15,001 to 20,000 gallons	Per 1,000 Gallons	8.79	Resolution 2023-1235	Per 1,000 Gallons	8.79	Increases to 9.06 on 1/1/2026	N/A
No Change	Tier 4: 20,001+ gallons	Per 1,000 Gallons	11.43	Resolution 2023-1235	Per 1,000 Gallons	11.43	Increases to 11.77 on 1/1/2026	N/A
No Change	Country West (Per 2001 Agreement)	Per 1,000 Gallons	0.84	Resolution 2023-1235	Per 1,000 Gallons	0.84	Increases to 1.01 on 12/14/2031; no base fee	N/A
Water Resource Fee								
No Change	Water Resource Fee	Per Meter/ Month	2.06	Resolution 2023-1235	Per Meter/ Month	2.06	Increases to 2.12 on 1/1/2026	N/A
Other Administrative Fees								
Consolidate	Deposit	Per Account	75.00	Town Code \$51.250	Per Account	75.00	May be waived per the requirements of Town Code \$51.250; Refundable after 1 year	Simplification
Consolidate	Deposit – Tenant	Per Account	250.00	Town Code \$51.250				
Add	Service Fee	N/A	N/A	N/A	Per Occurrence	25.00	For service on, off, temporary or permanent and all other service calls	*Currently charging

MODIFICATIONS – Public Works: Utilities - Water

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Standpipe Rate (Fill Station)								
Modify/Add	Standpipe Base Rate	Per 1,000 Gallons	6.90	Resolution 2023-1235	Per 1,000 Gallons	14.21	New description: "Tier 1: 0 to 8,000 gallons"; Increases to 14.64 on 1/1/2026	Specifies the intent of the current fee schedule which has been different than practice over the last few years; these rates apply to all standpipe customers; tax is in addition to the specified rates, similar to other utility fees
					Per 1,000 Gallons	16.04	New description: "Tier 2: 8,000 to 15,000 gallons"; Increases to 16.52 on 1/1/2026	
					Per 1,000 Gallons	18.33	New description: "Tier 3: 15,001 to 20,000 gallons"; Increases to 18.88 on 1/1/2026	
					Per 1,000 Gallons	21.76	New description: "Tier 3: 20,001+ gallons"; Increases to 22.41 on 1/1/2026	
Buy-In Fees								
No Change	Residential ¾" & 1" Meter	Per Meter	4,919.50	Resolution 2023-1235	Per Meter	4,919.50	Increases to 5,067.08 on 1/1/2026	N/A
No Change	Multi-Family Residential ¾" & 1" Meter	Per Unit	4,464.44	Resolution 2023-1235	Per Unit	4,464.44	Increases to 4,598.37on 1/1/2026	N/A
No Change	Hotels/Motels	Per Room	3,758.49	Resolution 2023-1235	Per Room	3,758.49	Increases to 3,871.25 on 1/1/2026	N/A
Add	RV Park	N/A	N/A	N/A	Per Space	4,464.44	Increases to 4,598.37 on 1/1/2026	100% of multi-family residential charge
Add	Mobile Home Park	N/A	N/A	N/A	Per Space	4,464.44	Increases to 4,598.37 on 1/1/2026	100% of multi-family residential charge
No Change	Commercial ¾" Meter	Per Meter	4,919.50	Resolution 2023-1235	Per Meter	4,919.50	Increases to 5,067.08 on 1/1/2026	N/A
No Change	Commercial 1" Meter	Per Meter	8,203.26	Resolution 2023-1235	Per Meter	8,203.26	Increases to 8,449.36 on 1/1/2026	N/A
No Change	Commercial 1 ½" Meter	Per Meter	16,520.90	Resolution 2023-1235	Per Meter	16,520.90	Increases to 17,016.52 on 1/1/2026	N/A
No Change	Commercial 2" Meter	Per Meter	26,428.76	Resolution 2023-1235	Per Meter	26,428.76	Increases to 27,221.62 on 1/1/2026	N/A
No Change	Commercial 3" Meter	Per Meter	49,574.99	Resolution 2023-1235	Per Meter	49,574.99	Increases to 51,062.24 on 1/1/2026	N/A
No Change	Commercial 4" Meter	Per Meter	82,640.14	Resolution 2023-1235	Per Meter	82,640.14	Increases to 85,119.35 on 1/1/2026	N/A

MODIFICATIONS – Public Works: Utilities - Water

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
No Change	Commercial 6" Meter	Per Meter	165,229.86	Resolution 2023-1235	Per Meter	165,229.86	Increases to 170,186.76 on 1/1/2026	N/A
No Change	Commercial 8" Meter	Per Meter	264,385.99	Resolution 2023-1235	Per Meter	264,385.99	Increases to 272,317.57 on 1/1/2026	N/A
No Change	Commercial 10" Meter	Per Meter	380,080.22	Resolution 2023-1235	Per Meter	380,080.22	Increases to 391,482.63 on 1/1/2026	N/A
No Change	Commercial 12" Meter	Per Meter	710,544.87	Resolution 2023-1235	Per Meter	710,544.87	Increases to 731,861.22 on 1/1/2026	N/A

MODIFICATIONS – Public Works: Utilities - Wastewater

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Base Charges								
No Change	Residential (All Meter Sizes)	Per Meter/Month	61.53	Resolution 2023-1235	Per Meter/Month	61.53	Increases to 63.38 on 1/1/2026	N/A
No Change	Multi-Family Residential	Per Fixture Unit/Month	3.08	Resolution 2023-1235	Per Fixture Unit/Month	3.08	Includes properties on a master meter, apartments, duplexes, hotels/motels, schools, churches, and similar; One Equivalent Dwelling Unit (EDU) equals 20 Fixture Units (FU); Increases to 3.17 on 1/1/2026;	N/A
Add	RV Park	N/A	N/A	N/A	Per Space/Month	61.53	Increases to 63.38 on 1/1/2026	100% of Residential charge
Add	Mobile Home Park	N/A	N/A	N/A	Per Space/Month	61.53	Increases to 63.38 on 1/1/2026	100% of Residential charge
No Change	Commercial ¾" Meter	Per Meter/Month	61.53	Resolution 2023-1235	Per Meter/Month	61.53	Increases to 63.38 on 1/1/2026	N/A
No Change	Commercial 1" Meter	Per Meter/Month	102.97	Resolution 2023-1235	Per Meter/Month	102.97	Increases to 106.06 on 1/1/2026	N/A
No Change	Commercial 1 ½" Meter	Per Meter/Month	204.68	Resolution 2023-1235	Per Meter/Month	204.68	Increases to 210.82 on 1/1/2026	N/A
No Change	Commercial 2" Meter	Per Meter/Month	327.99	Resolution 2023-1235	Per Meter/Month	327.99	Increases to 337.83 on 1/1/2026	N/A
No Change	Commercial 3" Meter	Per Meter/Month	615.56	Resolution 2023-1235	Per Meter/Month	615.56	Increases to 634.02 on 1/1/2026	N/A
No Change	Commercial 4" Meter	Per Meter/Month	1,025.92	Resolution 2023-1235	Per Meter/Month	1,025.92	Increases to 1,056.70 on 1/1/2026	N/A
Other Administrative Fees								
Consolidate	Deposit – All Other	Per Month	125.00	Town Code §51.250	Per Account	125.00	May be waived per the requirements of Town Code §51.250; Refundable after 1 year	Simplification
Consolidate	Deposit – Tenant	Per Month	250.00	Town Code §51.250				
Add	Service Fee	N/A	N/A	N/A	Per Occurrence	25.00	For service on, off, temporary or permanent and all other service calls	*Currently charging, unable to locate authorization

MODIFICATIONS – Public Works: Utilities - Wastewater

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Buy-In Fees								
No Change	Residential	Per Meter	7,379.24	Resolution 2023-1235	Per Meter	7,379.24	Increases to 7,600.62 on 1/1/2026	N/A
No Change	Commercial and Multi-Family Residential	Per Fixture Unit	368.96	Resolution 2023-1235	Per Fixture Unit	368.96	Includes properties on a master meter, apartments, duplexes, hotels/motels, schools, churches, and similar; One Equivalent Dwelling Unit (EDU) equals 20 Fixture Units (FU); Increases to 380.03 1/1/2026	N/A
Add	RV Park	N/A	N/A	N/A	Per Space	7,379.24	Increases to 7,600.62 on 1/1/2026	100% of Residential charge
Add	Mobile Home Park	N/A	N/A	N/A	Per Space	7,379.24	Increases to 7,600.62 on 1/1/2026	100% of Residential charge

MODIFICATIONS – Town Clerk

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
General								
Consolidate	Photocopy – 8.5x11	Per Page	0.25	Resolution 12-1001	Per Page	0.50	New description: "Photocopy"; For black and white or color pages, front and back	Simplification and improving cost recovery
Consolidate	Photocopy – 8.5x14	Per Page	0.35	Resolution 12-1001				
Consolidate	Photocopy – 11x17	Per Page	0.50	Resolution 12-1001				
Consolidate	Photocopy – Color (over cost of B&W Copy)	Per Page	0.10	Resolution 12-1001				
Eliminate	Scanning of Printed Only Records	Per Image	0.25	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Eliminate	Fax	Per Image	1.25	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Consolidate	Recordings – CD/DVD	Per Recording	15.00	Resolution 12-1001	Per Item	15.00	New description: "Digital Media Recordings"; CDs, DVDs, USB Flash Drives	Simplification and maintaining cost recovery
Consolidate	CD/DVD (As Records Storage Device Only)	Per Item	2.00	Resolution 12-1001				
Eliminate	Electronic Records (Copying to Storage Device or Email)	Per Hour	25.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Eliminate	Document Cover/Binding	Per Document	Actual Cost +2.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Modify	U.S. Mailing	Per Piece	Actual Cost +2.00	Resolution 12-1001	Per Piece	Actual Cost		Rare in occurrence, additional processing fee unjustified
Eliminate	Current Agenda Packets	Per Image	Per Image Cost	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Eliminate	Subscriptions: Agendas (Printed)	Per Year	34.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Eliminate	Subscriptions: Agendas (Email)	Per Year	34.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Eliminate	Subscriptions: Agendas (Fax)	Per Year	50.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Eliminate	Subscriptions: Agendas (Mail)	Per Year	103.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Eliminate	Subscriptions: Agenda Packet	Per Year	409.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Eliminate	Monthly New Business License Report	Per Report	34.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; included under commercial request
No Change	Notary	Per Signature	2.00	Resolution 12-1001	Per Signature	2.00	Capped by Arizona Administrative Code	N/A

MODIFICATIONS – Town Clerk

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
							\$2-12-1102 at 10.00 per signature	
Modify	Commercial Request	Per Request	Market Value of Record + Staff Time	Resolution 12-1001	Per Request	Actual Cost	Includes staff time and cost	Simplification
Eliminate	Commercial Request (Business License or Other List)	Per Business/Record	0.17	Resolution 12-1001	N/A	N/A		Fee will be eliminated; included under commercial request
No Change	Argument Submittal – Voter Election Information Pamphlet	Per Argument	80.00	Resolution 12-1001	Per Argument	80.00		N/A
Business License								
Consolidate	General Business License Fee	Per Year	50.00	Resolution 12-1001	Per Application	85.00	Includes initial year and one-time application processing; Applicable to Bingo licenses	Simplification and improving cost recovery; adding verbiage to specify applicability to Bingo licenses
Consolidate	Application Processing Fee	Per Application	33.00	Resolution 12-1001				
No Change	Operating Without a License/Late Fee	Per License	100%	Town Code §110.99	Per License	100%	Town Code §110.99	N/A
Modify	Renewal Fee	Per Year	50.00	Resolution 12-1001	Per Year	50.00	Applicable to Bingo licenses	Adding verbiage to specify applicability to Bingo licenses
Eliminate	Update Fee (for all changes other than ownership)	Per Update	14.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Consolidate	Mobile Merchants	Per Year	50.00	Resolution 12-1001	N/A	N/A		Combined with general business license and renewal fee
Modify	Transient Merchants	Per Day	50.00	Resolution 12-1001	Per Location/Year	50.00	Town Code §112.02	Updating to per location/year to better align with purpose of transient merchant license
No Change	Peddler/Solicitors	Per Day	60.00	Resolution 12-1001	Per Day	60.00	Town Code §112.21	N/A
Eliminate	Peddler/Solicitors Additional Fee Per Worker	Per Day	21.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Eliminate	Peddler/Solicitors Refundable Deposit	Per Application	50.00	Resolution 16-1077	N/A	N/A		Fee will be eliminated; obsolete
Eliminate	Special Event Vendors	Per Day	14.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; handled through Community Services
Eliminate	Special Events License Fee	Per Day	115.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete

MODIFICATIONS – Town Clerk

Proposed Action	Fee Description	Current Unit of Measure	Current Amount	Current Fee Authorization	Proposed Unit of Measure	Proposed Amount	Notes	Basis for Change
Eliminate	Swap Meet License	Per Year	346.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Eliminate	Auction License	Per Year	137.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Eliminate	Telephone Company License	Per Year	353.00	Resolution 12-1001	N/A	N/A		Fee will be eliminated; obsolete
Sexually Oriented Business Licenses								
No Change	Application/Investigation Fee	Per Application	1,062.00	Resolution 12-1001	Per Application	1,062.00	Town Code §115	N/A
Consolidate	Annual Fee	Per Business	1,062.00	Resolution 12-1001	Per Business and Employee	1,062.00	Town Code §115	Simplification
Consolidate	Annual Fee	Per Employee	1,062.00	Resolution 12-1001				
Liquor Licenses								
Consolidate	General Business License Fee	Per Year	50.00	Resolution 16-1077	N/A	N/A		Charged under regular business license
Modify	Permanent License Application/Processing	Per Application	250.00	Resolution 16-1077	Per Application	250.00	New description: “Permanent Liquor License”; Application and processing	Verbiage changes only
Modify	Temporary License Application/Processing	Per Application	50.00	Resolution 16-1077	Per Application	100.00	New description: “Temporary Liquor License”; Application and processing	Improving cost recovery

EXHIBIT B
TO RESOLUTION NO. 2025-1282

[Consolidated Fee Schedule]

See following pages.



Town of Chino Valley Consolidated Fee Schedule

*Tentatively Effective July 1, 2025**

**The amounts in this schedule have not yet been approved and the tentatively effective date, fee changes, and fee amounts, are subject to change prior to adoption.*

Table of Contents

Department/Division	Page
Community Services	
Aquatics	1
Library	2
Recreation	3
Senior Center	4
Development Services	
Building	5
Planning	9
Municipal Court	11
Police	12
Public Works	
Engineering	13
Utilities - Water	14
Utilities - Wastewater	16
Town Clerk	17

Community Services: Aquatics

Fee Description	Unit of Measure	Amount	Notes	Authorization
Daily Use/Admission				
Ages 0-2 Child	Per Day	No Charge		TBD
Ages 3-54	Per Day	3.00		TBD
Ages 55 and Over	Per Day	2.00		TBD
Family – 5 Immediate Family Members	Per Day	10.00		TBD
Season Passes				
Ages 0-2 Child	Per Season	No Charge		TBD
Ages 3-54	Per Season	100.00		TBD
Ages 55 and Over	Per Season	85.00		TBD
Family – 5 Immediate Family Members	Per Season	300.00		TBD
Family – Additional Members	Per Season	50.00		TBD
Learn to Swim				
Swim Lessons	Per 8 Sessions	45.00	8 sessions, 30 minutes each	TBD
Fitness Program Lessons	Per 12 Sessions	45.00	12 sessions, 1 hour each	TBD
Aquatic Facility Rental				
Aquatic Facility Party Room Only	Per 2 Hour Period	75.00	Party package	TBD
Aquatic Facility (1-200 Guests)	Per 2 Hour Period	300.00	Includes required lifeguards	TBD
Aquatic Facility (201-400 Guests)	Per 2 Hour Period	400.00	Includes required lifeguards	TBD

Community Services: Library

Fee Description	Unit of Measure	Amount	Notes	Authorization
General				
Black and White Printing – Public Access Computers Self Service	Per Page	0.10		TBD
Color Printing – Public Access Computers Self Service	Per Page	0.50		TBD
Library Card - New	Per Card	No Charge		TBD
Library Card – Replacement	Per Card	3.00		TBD
Overdue Items	Per Day	0.10		TBD
Lost/Destroyed Items	Per Item	Actual Cost +5.00		TBD

Community Services: Recreation

Fee Description	Unit of Measure	Amount	Notes	Authorization
Community Center/Activity Center Rental				
Deposit	Per Reservation	300.00	Refundable	TBD
Room Rental (Half Day)	Per Half Day	150.00		TBD
Room Rental (Full Day)	Per Full Day	300.00		TBD
Community Center/Activity Center Rental – Non-Profit Organizations				
Non-Profit Room Rental (Half Day)	Per Half Day	75.00		TBD
Non-Profit Room Rental (Full Day)	Per Full Day	150.00		TBD
Park Ramada Reservation				
Ramada (Half Day)	Per Half Day	75.00		TBD
Ramada (Full Day)	Per Full Day	150.00		TBD
Athletic Fields				
Deposit – Youth League/Tournaments	Per Season/Event	500.00	Refundable; forfeit if tournament cancelled less than 14 days prior to event	TBD
Youth League (Baseball/Softball)	Per Season	3,000.00		TBD
Youth League (Other)	Per Season	2,000.00		TBD
Athletic Tournaments (Off Season)	Per Day	1,000.00	Includes set up, cleaning, fence	TBD
Deposit – Field Rental – Private	Per Rental	200.00	Refundable	TBD
Field Rental - Private	Per Day	200.00	Includes set up and cleaning	TBD
Temporary Fence Setup	Per Rental	250.00		TBD
Lights	Per Hour/Field	25.00	Excludes league and tournaments	TBD
Concession Stand				
Deposit	Per Reservation	500.00	Refundable	TBD
Concession Stand – Community Center Park	Per Day	100.00	Excludes leagues	TBD
Special Events				
Application Filing Fee	Per Event	25.00		TBD

Community Services: Senior Center

Fee Description	Unit of Measure	Amount	Notes	Authorization
Facility Rental – Non-Profit Organizations				
Building Use - Shared	Partial Day	No Charge		TBD
Building Use - Private	Per Full Day	150.00	Private use	TBD
Facility Rental				
Deposit	Per Reservation	300.00	Refundable	TBD
Building Use (Half Day)	Per Half Day	150.00		TBD
Building Use (Full Day)	Per Full Day	300.00		TBD
Van Transportation Fees				
Trip Fees	Per Trip/Person	Varies	Fee calculated depending on trip details and actual trip cost	TBD
Meals				
Congregate Meals (Under Age 60)	Per Meal/Person	6.00	Suggested donation – NOT REQUIRED	TBD
Congregate Meals (Over Age 60)	Per Meal/Person	4.00	Suggested donation – NOT REQUIRED	TBD

Development Services: Building

Fee Description	Unit of Measure	Amount	Notes	Authorization
Building Fees – Valuation Based (Use Building Valuation Table)				
Single Family Residence	Valuation Per Square Foot	80.00		TBD
Unfinished Basement	Valuation Per Square Foot	45.00		TBD
Arizona Room	Valuation Per Square Foot	20.00		TBD
Agricultural Buildings – Wood/Metal	Valuation Per Square Foot	15.00	Pole Barns; Barns	TBD
Patio Covers, Awnings, Porch, Patio, and Canopies – Wood	Valuation Per Square Foot	15.00		TBD
Patio Covers, Awnings, Porch, Patio, and Canopies – Metal	Valuation Per Square Foot	12.00		TBD
Carports – Wood	Valuation Per Square Foot	15.00		TBD
Carports – Metal	Valuation Per Square Foot	12.00		TBD
Covered Decks – Wood	Valuation Per Square Foot	20.00		TBD
Covered Decks – Metal	Valuation Per Square Foot	17.00		TBD
Decks	Valuation Per Square Foot	12.00		TBD
Conversion – Garage to Habitable	Valuation Per Square Foot	60.00		TBD
Conversion – Patio to Habitable	Valuation Per Square Foot	65.00		TBD
Garages – Masonry, Metal, Wood	Valuation Per Square Foot	20.00		TBD
Gazebos – Wood/Metal	Valuation Per Square Foot	12.00		TBD
Fences Over Six Feet in Height – Concrete or Masonry	Valuation Per Linear Foot	12.00		TBD
Fences Over Six Feet in Height – All	Valuation Per Linear Foot	9.00		TBD
Foundations Only	Percentage of Planned Structure Valuation	25%		TBD
Ramadas (Structure Over Manufactured Home)	Valuation Per Square Foot	15.00		TBD
Residential Remodel or Addition	Valuation Per Square Foot	100.00		TBD
Retaining Walls Over Four Feet	Valuation Per Linear Foot	12.00		TBD
Storage Buildings or Sheds Larger Than 200 Square Feet – Metal	Valuation Per Square Foot	7.00		TBD
Storage Buildings or Sheds Larger Than 200 Square Feet – Wood	Valuation Per Square Foot	9.00		TBD
Tenant Improvements	Valuation Per Square Foot	14.00		TBD

Development Services: Building Valuation Table

Minimum Value	Maximum Value	Base Rate*	Plus*	For Every Additional (or fraction thereof)
0.00	500.00	91.14	0.00	0
501.00	2,000.00	91.14	4.63	100
2,001.00	25,000.00	160.59	21.27	1,000
25,001.00	50,000.00	603.04	15.34	1,000
50,001.00	100,000.00	977.69	10.63	1,000
100,001.00	500,000.00	1,509.50	8.51	1,000
500,001.00	1,000,000.00	4,912.06	7.21	1,000
1,000,000.00	and Up	8,515.13	4.78	1,000

Authorization: TBD

**Increase by CPI each year on July 1 starting in 2026.*

Development Services: Building

Fee Description	Unit of Measure	Amount	Notes	Authorization
Building Fees – Flat Rate				
Commercial Hoods – Type 1 and 2	First Hood	220.00		TBD
	Per Each Additional Hood	110.00		TBD
Demolition – Commercial	Per Permit	100.00	No plan review fee	TBD
Demolition – Residential	Per Permit	100.00	No plan review fee	TBD
Fireplaces/Free Standing Stoves	Per Fireplace/Stove	95.00	Excluding new construction	TBD
Pools Requiring a Permit	Per Pool	400.00		TBD
Plumbing, Electrical, and Mechanical Fee	Per Permit Type	110.00		TBD
Roof Structure Replacement	Per Roof	180.00		TBD
Solar – Ground Mount	Per System	220.00	No plan review fee	TBD
Solar – Roof Mount	Per System	220.00	No plan review fee	TBD
Solar – Labor Values <5,000	Per System	220.00	No plan review fee	TBD
Underground Storage Tanks Over 5,000 Gallons	Per Tank	154.00		TBD
Inspections/Other				
Inspections Outside of Normal Business Hours	Per Inspection	200.00	Includes first two hours; No plan review fee	TBD
	Per Additional Hour (or portion thereof)	100.00	Applies to each hour or portion thereof in excess of two hours	TBD
Reinspection Fees	Per Inspection	140.00	No plan review fee	TBD
Additional Plan Review Required by Changes to Approved Plans	Per Hour	50.00		TBD

Development Services: Building

Fee Description	Unit of Measure	Amount	Notes	Authorization
Plan Review				
Single Family Residence	Percentage of Permit Fee	65%		TBD
Unfinished Basement	Percentage of Permit Fee	65%		TBD
Arizona Room	Percentage of Permit Fee	65%		TBD
Agricultural Buildings – Wood/Metal	Percentage of Permit Fee	65%	Pole Barns; Barns	TBD
Patio Covers, Awnings, Porch, Patio, and Canopies – Wood	Percentage of Permit Fee	65%		TBD
Patio Covers, Awnings, Porch, Patio, and Canopies – Metal	Percentage of Permit Fee	65%		TBD
Carports – Wood	Percentage of Permit Fee	65%		TBD
Carports – Metal	Percentage of Permit Fee	65%		TBD
Commercial Hoods – Type 1 and 2	Percentage of Permit Fee	65%		TBD
Covered Decks – Wood	Percentage of Permit Fee	65%		TBD
Covered Decks – Metal	Percentage of Permit Fee	65%		TBD
Conversion – Garage to Habitable	Percentage of Permit Fee	65%		TBD
Conversion – Patio to Habitable	Percentage of Permit Fee	65%		TBD
Decks	Percentage of Permit Fee	65%		TBD
Garages – Masonry, Metal, Wood	Percentage of Permit Fee	65%		TBD
Gazebos – Wood/Metal	Percentage of Permit Fee	65%		TBD
Fences Over Six Feet in Height – Concrete or Masonry	Percentage of Permit Fee	65%		TBD
Fences Over Six Feet in Height – All Other	Percentage of Permit Fee	65%		TBD
Fireplaces/Free Standing Stoves	Percentage of Permit Fee	65%	Excluding new construction	TBD
Foundations Only	Percentage of Permit Fee	65%		TBD
Plumbing, Electrical, and Mechanical Fee	Percentage of Permit Fee	65%		TBD
Pools Requiring a Permit	Percentage of Permit Fee	65%		TBD
Ramadas (Structure Over Manufactured Home)	Percentage of Permit Fee	65%		TBD
Residential Remodel or Addition	Percentage of Permit Fee	65%		TBD
Retaining Walls Over Four Feet	Percentage of Permit Fee	65%		TBD
Roof Structure Replacement	Percentage of Permit Fee	65%		TBD
Storage Buildings or Sheds Larger Than 200 Square Feet – Metal	Percentage of Permit Fee	65%		TBD
Storage Buildings or Sheds Larger Than 200 Square Feet – Wood	Percentage of Permit Fee	65%		TBD

Development Services: Building

Fee Description	Unit of Measure	Amount	Notes	Authorization
Tenant Improvements	Percentage of Permit Fee	65%		TBD
Underground Storage Tanks Over 5,000 Gallons	Percentage of Permit Fee	65%		TBD
Other				
Additional Plan Review Required by Changes to Approved Plans	Percentage of Permit Fee	65%		TBD

Development Services: Planning

Fee Description	Unit of Measure	Amount	Notes	Authorization
General				
Advertisement Fee	Per Ad	115.00	For legal or other required ads	TBD
Zoning Maps (8.5" x 11")	Per Map	5.00		TBD
Zoning Maps (11" x 17")	Per Map	10.00		TBD
Zoning Maps (24" x 36")	Per Map	25.00		TBD
Zoning Maps (36" x 48")	Per Map	30.00		TBD
Land Divisions				
Lot Split, Consolidation, or Lot Line Adjustment Application Fee	Per Application	300.00	Per lot fee is in addition	TBD
Subdivision Preliminary Plat – Application Fee	Per Application	2,400.00	Per lot fee and advertisement fee are in addition	TBD
Subdivision Final Plat – Application Fee	Per Application	2,400.00	Per lot fee and advertisement fee are in addition	TBD
Minor Subdivision Final Plat – Application Fee	Per Application	2,400.00	Per lot fee and advertisement fee are in addition	TBD
Lot Fee	Per Lot	50.00	Applicable on all land divisions	TBD
Penalty	Per Lot Split	1,500.00	Applied to lot splits recorded without Town approval	TBD
Annexations				
Annexations Application Fee	Per Application	500.00	Per acre fee and advertisement fee are in addition	TBD
Annexations Per Acre Fee	Per Acre	75.00		TBD
Pre-Annexation Development Agreement	Per Agreement	10,000.00		TBD
Land Use				
Rezone Application – Residential	Per Application	1,500.00	Per acre fee and advertisement fee are in addition	TBD
Rezone Acre Fee – Residential	Per Acre	20.00		TBD
Rezone Application – Commercial	Per Application	1,200.00	Per acre fee and advertisement fee are in addition	TBD
Rezone Acre Fee – Commercial	Per Acre	30.00		TBD
Signs - Temporary	Per Month	5.00		TBD
Signs - Permanent	Per Sign	125.00		TBD
Site Plan Review	Per Review	250.00		TBD
Conditional Use Permit Application	Per Application	1,000.00		TBD
Conditional Use Permit Acre Fee	Per Acre	20.00		TBD
Land Use Permit	Per Permit	75.00	Fence, <200sqft shed, ancillary structures, and metal storage containers	TBD
Variance	Per Variance	500.00	Advertisement fee is in addition	TBD

Development Services: Planning

Fee Description	Unit of Measure	Amount	Notes	Authorization
Zoning Code				
Text Amendment	Per Amendment	500.00	Advertisement fee is in addition	TBD
Zoning Verification Letter	Per Letter	200.00		TBD
Interpretation Letter	Per Letter	800.00		TBD
Written Interpretation Appeal	Per Appeal	1,500.00	Advertisement fee is in addition	TBD
General Plan				
General Plan Amendment – Minor	Per Amendment	5,000.00	Advertisement fee is in addition	TBD
General Plan Amendment – Major	Per Amendment	10,000.00	Advertisement fee is in addition	TBD
Development Agreements/Improvement Districts				
Development Agreement – Minor	Per Agreement	2,500.00		TBD
Development Agreement – Major	Per Agreement	5,000.00		TBD
Maintenance Improvement District	Per District	2,500.00		TBD

Municipal Court

Fee Description	Unit of Measure	Amount	Notes	Authorization
Reports and Services				
Record Duplication Fee	Per Record	25.00	Set by State; ARS §22-404	TBD
Research in Locating a Document Fee	Per Case	25.00	Set by State; assessed to requests for extensive records searches, case file copying, copying of recorded court proceedings	TBD
Minimum Clerk Fee	Per Case	25.00	Set by State; ARS §22-404	TBD
Case File Copies	Per Page	0.50	Set by State; assessed to any non-party request for copies of a case, except governmental agencies	TBD
CD Fee	Per CD	3.00	For audio recording excluding criminal appeals	TBD
NSF Service Fee	Per NSF	48.00	Assessed to cases where payment by check is returned by financial institution for insufficient funds	TBD
Court Fees				
Court Improvement Fee	Per Case	40.00	Assessed to all Court Cases	TBD
Warrant Fee – Pre-Adjudication	Per Case	100.00	Assessed to cases when a new arrest warrant is issued; no warrant on long form complaint	TBD
Warrant Fee – Post Adjudication	Per Case	150.00	Assessed to cases when a new arrest warrant is issued	TBD
Default Civil Traffic and Code Violations Fee	Per Charge	20.00	This is per charge	TBD
Traffic Case Processing Fee	Per Case	20.00	Assessed to violations of the State Transportation statute or Town traffic code relating to traffic movement or control	TBD
Deferred Prosecution Fee	Per Case	150.00	Assessed when a defendant enters a deferred prosecution agreement	TBD
Indigent Defense Fee	Per Case	0.00-500.00	Represented in court by a public defender	TBD
Jail Reimbursement Fee	First Day	150.00	Set by County; pursuant to Town Code §34.22(1), this fee is assessed to any person convicted of a misdemeanor and sentenced to a term of incarceration in the county jail or other detention facility	TBD
	Each Day Thereafter	70.00		

Police				
Fee Description	Unit of Measure	Amount	Notes	Authorization
Reports and Services				
Police Report Copy	Per Report	10.00		TBD
Statistical Report	Per Report	20.00		TBD
Fingerprinting – Non-Profit/Government	Per Card	5.00		TBD
Fingerprinting – All Other	Per Card	10.00		TBD
Level 1 VIN Inspection – On-Site	Per VIN	10.00		TBD
Level 1 VIN Inspection – Off-Site	Per VIN	20.00		TBD
Background Check – Non-Profit/Government	Per Person	5.00		TBD
Background Check – All Other	Per Person	10.00		TBD
Digital Recordings				
Video/Body Camera Footage	Per Video Hour Reviewed	46.00	Set by ARS §39-129	TBD
CVPD Video Recordings	Per Video Hour	40.00	Excludes body camera footage	TBD
Animal Control				
Dog License – Altered	Per Year	8.00		TBD
Dog License – Unaltered	Per Year	36.00		TBD
Late Fee	Per License	8.00		TBD
Impound Fee	Per Occurrence	30.00	Additional boarding fees may apply	TBD
Boarding Fee	Per Day	12.00		TBD
Biting Dog Retrieval Fee	Per Dog/Per Incident	50.00		TBD
Adoption				
Canine – Up to 6 Months	Per Animal	250.00		TBD
Canine – 6 Months to 1 Year	Per Animal	175.00		TBD
Canine – Over 1 Year	Per Animal	150.00		TBD
Feline – Up to 6 Months	Per Animal	125.00		TBD
Feline – Over 6 Months	Per Animal	100.00		TBD

Public Works: Engineering

Fee Description	Unit of Measure	Amount	Notes	Authorization
Engineering Services				
Engineering Reports: Drainage, Water, Sewer, Traffic	Per Hour	150.00	4 hour minimum; includes 1 st and 2 nd review	TBD
Engineering Plan Review	Per Sheet	375.00	Applicable to 1 st and 2 nd review; each review billed separately	TBD
	Per Sheet	100.00	3 rd and subsequent reviews; each review billed separately	TBD
Third Party Engineering Services	Per Review/ Inspection	Actual Cost +5%	Plan/report review; inspection of utility lines/streets	TBD
As-Built Plans	Per Sheet	100.00		TBD
Construction Inspection: Utility Lines (Water, Sewer, Storm Drain & Channels, Gas, Electric, Etc.)				
0 to 2,500 Linear Feet	Per Linear Foot	1.00		TBD
2,501 to 5,000 Linear Feet	Per Linear Foot	0.90		TBD
5,001+ Linear Feet	Per Linear Foot	0.80		TBD
Construction Inspection: Streets				
0 to 7,000 Square Yards	Per Square Yard	1.00		TBD
7,001 to 14,000 Square Yards	Per Square Yard	0.90		TBD
14,001+ Square Yards	Per Square Yard	0.80		TBD
Right-of-Way Permits				
Base Rate	Per Permit	150.00	Includes 1 st inspection	TBD
2 nd & Subsequent Inspections	Per Inspection	100.00		TBD
Driveway Culvert Installation and Driveways	Per Permit	70.00	Includes inspections	TBD
Grading Plan Review				
0 to 200 Cubic Yards	Per Plan	150.00		TBD
201 to 1,000 Cubic Yards	Per Plan	280.00		TBD
1,001 to 10,000 Cubic Yards	Per Plan	550.00		TBD
10,001+ Cubic Yards	Per Plan	1,100.00		TBD
Grading Permit Construction Inspection				
0 to 200 Cubic Yards	Per Permit	150.00		TBD
201 to 1,000 Cubic Yards	Per Permit	280.00		TBD
1,001 to 10,000 Cubic Yards	Per Permit	550.00		TBD
10,001+ Cubic Yards	Per Permit	1,100.00		TBD

Public Works: Utilities - Water

Fee Description	Unit of Measure	Amount	Notes	Authorization
Base Charges				
Residential and Commercial ¾" Meter	Per Meter/Month	6.90	Increases to 7.10 on 1/1/2026	TBD
Residential and Commercial 1" Meter	Per Meter/Month	11.52	Increases to 11.87 on 1/1/2026	TBD
Commercial 1 ½" Meter	Per Meter/Month	22.99	Increases to 23.68 on 1/1/2026	TBD
Commercial 2" Meter	Per Meter/Month	36.78	Increases to 37.88 on 1/1/2026	TBD
Commercial 3" Meter	Per Meter/Month	69.01	Increases to 71.08 on 1/1/2026	TBD
Commercial 4" Meter or Larger	Per Meter/Month	115.14	Increases to 118.59 on 1/1/2026	TBD
Volume Charges				
Tier 1: 0 to 8,000 gallons	Per 1,000 Gallons	5.62	Increases to 5.79 on 1/1/2026	TBD
Tier 2: 8,000 to 15,000 gallons	Per 1,000 Gallons	7.03	Increases to 7.24 on 1/1/2026	TBD
Tier 3: 15,001 to 20,000 gallons	Per 1,000 Gallons	8.79	Increases to 9.06 on 1/1/2026	TBD
Tier 3: 20,001+ gallons	Per 1,000 Gallons	11.43	Increases to 11.77 on 1/1/2026	TBD
Country West (Per 2001 Agreement)	Per 1,000 Gallons	0.84	Increases to 1.01 on 12/14/2031; no base fee	TBD
Buy-In Fees				
Residential ¾" & 1" Meter	Per Meter	4,919.50	Increases to 5,067.08 on 1/1/2026	TBD
Multi-Family Residential ¾" & 1" Meter	Per Unit	4,464.44	Increases to 4,598.37 on 1/1/2026	TBD
Hotels/Motels	Per Room	3,758.49	Increases to 3,871.25 on 1/1/2026	TBD
RV Park	Per Space	4,464.44	Increases to 4,598.37 on 1/1/2026	TBD
Mobile Home Park	Per Space	4,464.44	Increases to 4,598.37 on 1/1/2026	TBD
Commercial ¾" Meter	Per Meter	4,919.50	Increases to 5,067.08 on 1/1/2026	TBD
Commercial 1" Meter	Per Meter	8,203.26	Increases to 8,449.36 on 1/1/2026	TBD
Commercial 1 ½" Meter	Per Meter	16,520.90	Increases to 17,016.52 on 1/1/2026	TBD
Commercial 2" Meter	Per Meter	26,428.76	Increases to 27,221.62 on 1/1/2026	TBD
Commercial 3" Meter	Per Meter	49,574.99	Increases to 51,062.24 on 1/1/2026	TBD
Commercial 4" Meter	Per Meter	82,640.14	Increases to 85,119.35 on 1/1/2026	TBD
Commercial 6" Meter	Per Meter	165,229.86	Increases to 170,186.76 on 1/1/2026	TBD
Commercial 8" Meter	Per Meter	264,385.99	Increases to 272,317.57 on 1/1/2026	TBD
Commercial 10" Meter	Per Meter	380,080.22	Increases to 391,482.63 on 1/1/2026	TBD
Commercial 12" Meter	Per Meter	710,544.87	Increases to 731,861.22 on 1/1/2026	TBD

Public Works: Utilities - Water

Fee Description	Unit of Measure	Amount	Notes	Authorization
Water Resource Fee				
Water Resource Fee	Per Meter/ Month	2.06	Increases to 2.12 on 1/1/2026	TBD
Standpipe Rate (Fill Station)				
Tier 1: 0 to 8,000 gallons	Per 1,000 Gallons	14.21	Increases to 14.64 on 1/1/2026; applies to all standpipe customers; tax is in addition to the specified rate	TBD
Tier 2: 8,000 to 15,000 gallons	Per 1,000 Gallons	16.04	Increases to 16.52 on 1/1/2026; applies to all standpipe customers; tax is in addition to the specified rate	TBD
Tier 3: 15,001 to 20,000 gallons	Per 1,000 Gallons	18.33	Increases to 18.88 on 1/1/2026; applies to all standpipe customers; tax is in addition to the specified rate	TBD
Tier 3: 20,001+ gallons	Per 1,000 Gallons	21.76	Increases to 22.41 on 1/1/2026; applies to all standpipe customers; tax is in addition to the specified rate	TBD
Other Fees				
Deposit	Per Account	75.00	May be waived per the requirements of Town Code §51.250; Refundable after 1 year	TBD
Service Fee	Per Occurrence	25.00	For service on, off, temporary or permanent and all other service calls	TBD

Public Works: Utilities - Wastewater

Fee Description	Unit of Measure	Amount	Notes	Authorization
Base Charges				
Residential (All Meter Sizes)	Per Meter/Month	61.53	Increases to 63.38 on 1/1/2026	TBD
Multi-Family Residential	Per Fixture Unit/Month	3.08	Includes properties on a master meter, apartments, duplexes, hotels/motels, schools, churches, and similar; One Equivalent Dwelling Unit (EDU) equals 20 Fixture Units (FU); Increases to 3.17 on 1/1/2026;	TBD
RV Park	Per Space/Month	61.53	Increases to 63.38 on 1/1/2026	TBD
Mobile Home Park	Per Space/Month	61.53	Increases to 63.38 on 1/1/2026	TBD
Commercial ¾" Meter	Per Meter/Month	61.53	Increases to 63.38 on 1/1/2026	TBD
Commercial 1" Meter	Per Meter/Month	102.97	Increases to 106.06 on 1/1/2026	TBD
Commercial 1 ½" Meter	Per Meter/Month	204.68	Increases to 210.82 on 1/1/2026	TBD
Commercial 2" Meter	Per Meter/Month	327.99	Increases to 337.83 on 1/1/2026	TBD
Commercial 3" Meter	Per Meter/Month	615.56	Increases to 634.02 on 1/1/2026	TBD
Commercial 4" Meter	Per Meter/Month	1,025.92	Increases to 1,056.70 on 1/1/2026	TBD
Buy-In Fees				
Residential	Per Meter	7,379.24	Increases to 7,600.62 on 1/1/2026	TBD
Commercial and Multi-Family Residential	Per Fixture Unit	368.96	Includes properties on a master meter, apartments, duplexes, hotels/motels, schools, churches, and similar; One Equivalent Dwelling Unit (EDU) equals 20 Fixture Units (FU); Increases to 380.03 1/1/2026	TBD
RV Park	Per Space	7,379.24	Increases to 7,600.62 on 1/1/2026	TBD
Mobile Home Park	Per Space	7,379.24	Increases to 7,600.62 on 1/1/2026	TBD
Other Administrative Fees				
Deposit	Per Account	125.00	May be waived per the requirements of Town Code §51.250; Refundable after 1 year	TBD
Service Fee	Per Occurrence	25.00	For service on, off, temporary or permanent and all other service calls	TBD

Town Clerk

Fee Description	Unit of Measure	Amount	Notes	Authorization
General				
Photocopy	Per Page	0.50	For black and white or color pages, front and back	TBD
Digital Media Recordings	Per Item	15.00	CDs, DVDs, USB Flash Drives	TBD
U.S. Mailing	Per Item	Actual Cost		TBD
Commercial Request	Per Request	Actual Cost	Includes staff time and cost	TBD
Notary	Per Signature	2.00	Capped by Arizona Administrative Code §2-12-1102 at 10.00 per signature	TBD
Argument Submittal	Per Argument	80.00	For voter election information pamphlet	TBD
Business License				
Initial General Business License	Per Application	85.00	Includes initial year and one-time application processing; Applicable to Bingo licenses	TBD
General Business License Renewal Fee	Per Year	50.00	Applicable to Bingo licenses	TBD
Late Fee/Operating without License	Per License	100% of applicable license fee	Town Code §110.99	TBD
Transient Merchants	Per Location/Year	50.00	Town Code §112.02	TBD
Peddler/Solicitors	Per Day	50.00	Town Code §112.21	TBD
Sexually Oriented Business Licenses				
Application/Investigation Fee	Per Application	1,062.00	Town Code §115	TBD
Annual Fee	Per Business and Employee	1,062.00	Town Code §115	TBD
Liquor Licenses				
Permanent Liquor License	Per Application	250.00	Application and processing	TBD
Temporary Liquor License	Per Application	100.00	Application and processing	TBD



ORDINANCE NO. 2025-951

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT ON FILE WITH THE TOWN CLERK TITLED “APRIL 2025 AMENDMENTS TO CHINO VALLEY TOWN CODE CHAPTER 51 REGARDING WATER AND SEWER SYSTEM BUY-IN FEES”; ADOPTING THE SAME BY REFERENCE AND AMENDING THE CHINO VALLEY TOWN CODE AS SET FORTH THEREIN; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, FOR SEVERABILITY, AND FOR PENALTIES.

WHEREAS, the Town Council approved Resolution 2025-1282, adopting the updated consolidated fee schedule with an effective date of July 1, 2025; and

WHEREAS, the Mayor and Common Council of the Town of Chino Valley (the “Town Council”) desires to update Chino Valley Town Code (the “Town Code”) Chapter 51, Water and Sewers, to align with the changes in the consolidated fee schedule for the benefit of the Town.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1. The above recitals are hereby incorporated as if fully set forth herein.

SECTION 2. That certain document entitled “May 2025 Amendments to Chino Valley Town Code Chapter 51 Regarding Water and Sewer System Buy-In Fees” (the “Amendment”), of which one paper copy and one electronic copy are maintained, in compliance with Ariz. Rev. Stat. § 44-7041, on file in the office of the Town Clerk as required by Ariz. Rev. Stat. § 9-802, and available for public use and inspection during normal business hours, is hereby declared to be a public record, and said copies are hereby ordered to remain on file with the Town Clerk.

SECTION 3. The Town Code is hereby amended as set forth in the Amendment, which is hereby referred to, adopted, and made a part hereof as if fully set forth herein.

SECTION 4. All ordinances and parts of ordinances in conflict with the provisions of this ordinance or with any part of the Amendment adopted herein by reference are hereby repealed.

SECTION 5. If any section, subsection, sentence, clause, phrase, or portion of this ordinance or any part of the Amendment adopted herein is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 6. The Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this ordinance.

SECTION 7. Except as otherwise provided, any person found responsible for violating any provisions of this ordinance shall be guilty of a civil violation, punishable by imposition of a civil sanction not to exceed \$500.00. Each day a violation continues shall be considered a separate violation. A person who commits a violation of this ordinance after previously having been found responsible for committing two or more civil violations of this ordinance within a

24-month period, whether by admission, by payment of the sanction, by default, or by judgment after hearing, shall be guilty of a class one misdemeanor.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 13th day of May 2025.

Tom Armstrong, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, P.L.C.

I hereby certify that the above foregoing Ordinance No. 2025-951 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on May 13, 2025, and that quorum was present thereat and that the vote thereon was ____ ayes, ____ nays, and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

**MAY 2025 AMENDMENTS TO CHINO VALLEY TOWN CODE CHAPTER 51 REGARDING
WATER AND SEWER SYSTEM BUY-IN FEES**

SECTION 1. Chino Valley Town Code, Chapter 51, Water and Sewers, Section 51.251, Water System New Service Buy-In Fee, is hereby amended as follows (~~deletions~~; **additions**):

§ 51.251 WATER SYSTEM NEW SERVICE BUY-IN FEE.

(A) There shall be a mandatory water system service buy-in fee for connections being served by any of the town's water production and distribution systems that are owned, operated, and maintained by the town.

(B) This fee shall be the customer's equivalent share of the town's costs for necessary water system improvements, to be computed as follows:

(1) *Residential.* The water system service buy-in fee shall be set by Council resolution per dwelling unit for a residential connection to the water system. Single-family residences, including manufactured or mobile homes and privately owned condominiums, shall be classified as residential connections.

(2) *Commercial/industrial.* ~~The water system service buy-in fees for commercial/industrial connections shall be set by Council resolution. Commercial/industrial connections without a specified fee set by Council resolution shall be based on water meter size and established by Council resolution.~~ A COMMERCIAL/INDUSTRIAL CONNECTION is hereby defined as any connection other than residential, including apartments, hotels/motels, RV parks, ~~senior~~ mobile home parks, schools, churches, and the like.

(3) *No transferability of fees.* All fees paid pursuant to this section shall apply to the real property upon which the fee is initially calculated. Connection fees are not transferable between properties. Structures moved from ~~4-one~~ one location to another location shall pay new connection fees for the new location, with a credit to be given for any connection fees previously paid for that location.

SECTION 2. Chino Valley Town Code, Chapter 51, Water and Sewers, Section 51.253, Sewer System New Service Buy-In Fee, is hereby amended as follows (~~deletions~~; **additions**):

§ 51.253 SEWER SYSTEM NEW SERVICE BUY-IN FEES.

(A) There shall be a mandatory sewer system service buy-in fee charged for residential units or commercial/industrial connections to be served by any of the town's wastewater collection, treatment and recharge systems that are owned, operated and maintained by the town.

(B) This fee shall be the equivalent of the customer's share of the costs to the town for the construction of the wastewater treatment facilities, the recharge facility, lift stations, and sewer mains and interceptor lines. This fee shall be payable by the residential or commercial/industrial customer or property owner prior to the issuance of a new building permit or connection to the system for existing structures.

(1) *Residential.* The sewer system service buy-in fee shall be set by Council resolution per residential dwelling unit for a residential connection to the sewer system, subject to annual review and revision by the Council. Single-family residences, including manufactured and

mobile homes, private condominiums, shall be classified as residential. A single-family home shall be considered to have 20 fixture units and be privately owned.

(2) *Commercial/industrial.* **Unless otherwise set by Council resolution, the** The sewer system service buy-in fee for commercial/industrial connections shall be based on an equivalent dwelling unit (EDU). The EDU for commercial/industrial users shall be determined by calculating the fixture units (as defined in the IPC) divided by the 20 fixture units of a single-family home.

(3) *No transferability of fees.* All fees paid pursuant to this section shall apply to the real property upon which the initial fee was calculated. Connection fees are not transferable between properties. Structures moved from one location to another location must pay new connection fees for the new location, with a credit to be given for any connection fees previously paid for that location.



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6d
MEETING DATE: 5/13/2025
CONTACT PERSON: Katie Pehl, Finance Director
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Consideration and possible action to adopt a notice of intent and set a public hearing to consider increasing the transaction privilege tax rate on manufactured building sales.

SUMMARY:

The Town's sales tax rate for manufactured buildings was reduced from 4.0% to 2.0% in 2017. In April 2019, Council considered raising the amount back to 4.0%, but the motion failed due to lack of a second. Council has requested the tax rate be revisited. After reviewing the rate and in an attempt to even the playing field between manufactured buildings and site-built homes, staff recommends that the Council consider increasing the rate from 2.0% to 2.6%.

The process to change the tax rate involves several more steps:

1. May 13, 2025: Council must take action to approve the notice of intent as required by A.R.S. § 4-499.15 and set the date for the public hearing for August 26, 2025.
2. May 15, 2025: A report and notice of the proposed increase must be posted on the Town website 60 days before the public hearing.
3. August 10, 2025: The notice of intent and public hearing must be published 15 days prior to the hearing.
4. August 26, 2025: Hold the public hearing. Following the public hearing, Council may approve the proposed modification.
5. September 5, 2025: Notice of the change must be submitted to ADOR, MTCC, and the League within 10 days of adoption by Council.
6. November 1, 2025: The effective date of the rate change.

PREVIOUS ACTION:

December 13, 2016 – Following a public hearing, Town Council reduced the tax rate on Manufactured Homes from 4% to 2%.

March 1, 2017 – The reduced tax rate went into effect.

April 9, 2019 – Town Council considered increasing the tax rate on manufactured buildings back to 4%; motion failed due to lack of a second.

April 22, 2025 – Town Council discussed the potential increase and tabled the item to come back on the May 13, 2025 meeting for further discussion.

STAFF RECOMMENDATION:

Adopt the Notice of Intent and set a public hearing for August 26, 2025, to consider increasing the transaction privilege tax rate to 2.6% on manufactured building sales.

FISCAL IMPACT?

By increasing the tax rate, additional tax revenue will be collected.

ATTACHMENTS:

1.	NOI - Notice of Intent to Increase TPT Rate for Manufactured Building Sales
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**TOWN OF CHINO VALLEY, ARIZONA
PUBLIC NOTICE**

**NOTICE OF INTENT
PURSUANT TO A.R.S. § 9-499.15**

Pursuant to A.R.S. § 9-499.15, the Town of Chino Valley hereby gives notice that it may increase its transaction privilege tax rate on manufactured building sales and provides this written notice of the proposed increase.

The proposed increased tax is based on a written report prepared by the Town Finance Director. A schedule of the proposed increased tax and a copy of the written report and data supporting the increase may be reviewed during normal office hours, Monday through Thursday, from 8:00 a.m. to 5:00 p.m., at the Town Clerk's office, located at 202 North State Route 89, Chino Valley, Arizona. A copy of the written report and data is also available on the Town's website at www.chinoaz.net.

The Chino Valley Town Council will hold a public hearing to consider the proposed increased tax on August 26, 2025, at 6:00 p.m., in the Council Chambers, 202 N. State Route 89, Chino Valley, Arizona.

IF APPROVED BY THE TOWN COUNCIL, THE INCREASED TAX WILL BECOME EFFECTIVE NOVEMBER 1, 2025.

Dated this _____ day of _____, 2025.

TOWN OF CHINO VALLEY

Erin. N. Deskins, Town Clerk



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6e
MEETING DATE: 5/13/2025
CONTACT PERSON: Frank Marbury, Public Works Director/Town Engineer
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Consideration and possible action to award a Construction Manager at Risk (CMAR) Agreement to Felix Construction Company for pre-construction and potential construction services related to the Water Reclamation Facility Improvement Project.

SUMMARY:

The Town currently has improvements to the WRF under design by Pacific Advanced Civil Engineering, Inc. (PACE), with the following components under consideration:

1. Equalization Basins and Lift Station
2. Sludge Storage Tanks and Pumps
3. Maintenance Bed
4. Dewatering Screw Press
5. UV Unit Replacement
6. Odor Control Units

The overall project will be broken into two phases to accommodate Water Infrastructure Finance Authority (WIFA) funding limitations. The final components included in each phase will be determined based on cost. The design plans are currently at 60%.

The Town Engineering Division issued a Request for Qualifications (RFQ) on December 17, 2024, for the solicitation of interested and qualified Construction Managers at Risk (CMARs) to construct the improvements. Three Statements of Qualifications (SOQs) were received on January 28, 2025, and a selection committee comprised of Town staff and consultants scored and ranked the SOQs. The top two firms were then granted interviews, which were held on March 3, 2025. The final ranking is as follows:

1	Felix Construction Company
2	Hensel Phelps Construction Co.
3	Fann Environmental, LLC

The town negotiated with the top scoring firm and that negotiated agreement is before you for consideration. This contract allows for distinct pre-construction and construction services phases in a single agreement. The construction manager will review the 60% plans, provide comments on the plans with ideas on how to improve constructability, with potential design changes to promote cost savings (value engineering), and provide construction cost estimates. The scope and plans will then be refined to 100%, at which time the construction manager will provide a Guaranteed Maximum Price (GMP) for the

first phase of construction. A contract amendment to approve that GMP will then be brought before Town Council for approval.

PREVIOUS ACTION:

April 9, 2024 - Awarded a Professional Service Agreement (PSA) for Engineering Services to Pacific Advanced Civil Engineering, Inc. (PACE) in the amount of \$826,915 for the Water Reclamation Facility Improvements Project.

STAFF RECOMMENDATION:

Award a Construction Manager at Risk Agreement (CMAR) to Felix Construction Company for pre-construction and potential construction services related to the Water Reclamation Facility Improvement Project

FISCAL IMPACT?

Available budget: Capital Improvement Fund - Sewer	\$5,050,000.00
Less this approval item: CMAR - Felix Construction Company	<u>-137,180.79</u>
Remaining budget: Capital Improvement Fund - Sewer	\$4,912,819.21

Note: A loan from the Water Infrastructure Finance Authority (WIFA) will be required to fund both this CMAR (Construction Manager at Risk) agreement and the broader Water Reclamation Facility (WRF) improvement project costs. While staff is actively working on the WIFA loan application, it's important to move forward with this portion of the design now to keep the project on schedule. Completing this phase at this time ensures that the overall project remains aligned with regulatory deadlines and that the Town is fully prepared to access WIFA funding as soon as it becomes available. It is important to note, if for any reason, the WIFA funding is not approved, services billed on this contract will be payable by the Town.

ATTACHMENTS:

1.	AGR - CMAR - WRF Improvement Project - Felix Construction
2.	Exhibit E1 - WRF Improvement Project RFQ - Sections A and B
3.	Exhibit E2 - WRF Improvement Project RFQ - Section C - 30pct Drawings
4.	Exhibit F - CM's Response to the RFQ
5.	Exhibit I - Preconstruction Cost Summary
6.	Exhibit M - Federal Funded Project Requirements (WIFA)

**CONSTRUCTION MANAGER AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY**

THIS CONSTRUCTION MANAGER AT RISK AGREEMENT (this “Agreement”) is made _____, 20__, by and between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and Felix Construction Company, an Arizona corporation (the “Construction Manager”), for professional construction manager at risk construction services for design phase review and construction of improvements needed at the Chino Valley Water Reclamation Facility to treat the current influent flow and loading conditions to the existing limits and recover its rated capacity (the “Project”). The Town and the Construction Manager are referred to herein individually as a “Party” and collectively as the “Parties.”

**ARTICLE 1
GENERAL**

1.1 Project Summary. The Construction Manager shall perform all preconstruction services set forth in Article 2 below (the “Preconstruction Services”) and, subject to Section 1.2 below, management and construction services set forth in Article 4 below (the “Construction Services”) (the Preconstruction Services and the Construction Services are collectively referred to as the “Services”), including providing all material, equipment, tools, and labor necessary to complete the Work (as defined below) described herein and reasonably inferable from the Contract Documents (as defined below), including the upgrades and improvements to be encompassed in the Project. The Construction Manager will also coordinate with and provide comments to Pacific Advanced Civil Engineering, Inc. (PACE) (the “Project Designers”), to ensure that the Project design is constructible within the established budget.

1.2 Phased Agreement. The Services contemplated by this Agreement shall be carried out in several distinct phases. The initial Services shall be to provide Preconstruction Services, including (A) such environmental investigation services as applicable pursuant to Section 2.1 below, (B) review of the Project Designers’ Construction Documents pursuant to Section 2.2 below, and (C) the Preconstruction Phase General Services, pursuant to Section 2.3 below (the “Preconstruction Phase General Services”). The Construction Manager shall be compensated on an hourly basis, at the agreed-upon hourly rates and a stipulated not-to-exceed total fee, for the Preconstruction Services as set forth in Section 7.1 below, provided that such services may extend through the construction phase for various components of the Project. At the point in the Preconstruction Services as determined by the Town, the Town may, in its sole discretion, request that the Construction Manager submit a proposal for a guaranteed maximum price (“GMP”) for construction of the Project, which may be submitted as a single GMP or as multiple GMPs at the Town’s sole discretion. The Construction Manager shall prepare and submit the GMP Proposals pursuant to Article 3 below. If the Town and the Construction Manager agree upon the respective GMP Proposals, the Construction Manager shall furnish, with respect to each GMP Proposal (A) such environmental investigation services as applicable pursuant to Section 2.1 below, and (B) the Construction Services set forth in Article 4 below. If the Town and the Construction Manager cannot, after good faith efforts, agree on the GMP, the Town may, in its sole discretion, terminate this Agreement (subject to the terms and conditions set forth in Section 12.2 below).

1.3 Definitions.

A. “Additional Services” means services not initially included as part of the Work, but which are later identified as necessary or desirable by the Town, as more fully described in Section 4.17 below.

B. “Applicable Law” means any law, rule, code, regulation, requirement, action, determination, guideline, or order of, or any legal entitlement issued by, any governmental body having jurisdiction, applicable or relating to the design, permitting, construction, equipping, financing, ownership, possession, or any other transaction or matter contemplated hereby relating to the design and construction of the Project, and includes the Federally Funded Project Requirements attached hereto as Exhibit M and incorporated herein by reference.

C. “Change Order” means a contract amendment issued after execution of this Agreement or future GMP Amendments signed by the Town, Construction Manager, and other parties, as may be required or appropriate, agreeing to an addition, deletion, or revision in the scope of Work, an adjustment to the Contract Price, an adjustment to the Contract Time, or other modifications to Contract terms.

D. “Construction Documents” means the plans, Specifications, drawings, and special provisions prepared by the Project Designers after correcting for permit review requirements, and as approved by the Town. The Construction Documents, once approved by the Town as 100% complete, shall be attached hereto as Exhibit A and incorporated herein by reference.

E. “Construction Fee” means the portion of the Construction Manager’s compensation not related to Direct Construction Costs, as set forth in Section 3.4 below.

F. “Contract Documents” means all of the following:

1. Change Orders and written amendments to this Agreement, including the amendments, if any, relating to the respective GMPs (the “GMP Amendments”), signed by both the Town and the Construction Manager, attached hereto as Exhibit B, and incorporated herein by reference.

2. This Agreement.

3. The Construction Documents.

4. The Construction Manager’s Guaranteed Maximum Price Proposals (the “GMP Proposals”), attached hereto as Exhibit C and incorporated herein by reference, including but not limited to:

- a. The Construction Manager’s proposed scope of services and fee breakdown for each GMP Proposal (the “Scope”).

- b. The Master Schedule relating to the applicable Scope developed in accordance with Subsection 2.3(C) below and updated as set forth in this Agreement, attached hereto as Exhibit D and incorporated herein by reference.

5. The Town’s Request for Qualifications (the “RFQ”), attached hereto as Exhibit E and incorporated herein by reference.

6. The Construction Manager’s response to the Town’s RFQ, attached hereto as Exhibit F and incorporated herein by reference.

In case of any inconsistency, conflict, or ambiguity among the Contract Documents, the documents shall govern in the order in which they are listed above.

G. “Contract Price” means the total compensation to be paid to the Construction Manager, as more fully described in Article 7 below.

H. “Contract Time” means the Days, as set forth in Article 6 below, indicating the period of time, including authorized adjustments, allotted in the Contract Documents to achieve Substantial Completion of the Work.

I. “Cost Model” means the detailed cost information for the Project as described in Subsection 2.3(D) below.

J. “Cost of the Work” means the portion of Direct Construction Costs necessarily incurred by the Construction Manager in the proper performance of the Work as more specifically set forth in Subsection 3.3(B) below.

K. “Critical Path” means the sequence of activities from the start of the Work to Substantial Completion of the Project for which any delay in the completion of these activities will delay achieving Substantial Completion.

L. “Day(s)” means calendar day(s) unless otherwise specifically noted in the Contract Documents.

M. “Differing Site Conditions” means concealed or latent physical conditions or subsurface conditions at the Site that (1) materially differ from the conditions indicated in the Contract Documents or (2) are of an unusual nature, differing materially from the conditions ordinarily encountered and generally recognized in the area of the Site as inherent in the Work.

N. “Direct Construction Costs” means General Conditions Costs and Cost of the Work as set forth in Section 3.3 below.

O. “Environmental Conditions” means collectively, Hazardous Materials and Underground Storage Tanks.

P. “Environmental Damages” means all claims, judgments, damages, losses, penalties, fines, liabilities, encumbrances, liens, costs, and expenses of investigation and defense of any claim, including, without limitation, attorney’s fees, that are incurred at any time as a result of the existence of Environmental Conditions upon, about, or beneath the Project Site or migrating or threatening to migrate to or from the Site, and including, without limitation:

1. Damages for personal injury, or injury to property or to natural resources occurring upon or off the Site.

2. Fees incurred for the services of attorneys, consultants, the Construction Manager, experts, laboratories, and all other costs incurred in connection with the investigation or remediation of such Environmental Conditions or violation of Environmental Requirements.

3. Liability to any third party or governmental agency or political subdivision to indemnify such party, agency, or political subdivision for costs expended in connection with the items listed in Subsections 1.3(P)(1) and (2) above.

Q. “Environmental Requirements” means all Applicable Laws, statutes, regulations, rules, ordinances, common law codes, licenses, permits, orders, and similar items of all governmental agencies or other instrumentalities of the United States, the State of Arizona, Yavapai County, and all

applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to health, safety, any Hazardous Materials, or the environment, including, without limitation, the Solid Waste Disposal Act, 42 U.S.C. §§ 6901 *et seq.*; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601 *et seq.* (“CERCLA”), as amended by the Superfund Amendments and Reauthorization Act of 1986 (“SARA”); the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801 *et seq.*; the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251 *et seq.*; the Clean Air Act, 42 U.S.C. §§ 7401 *et seq.*; the Toxic Substances Control Act, 15 U.S.C. §§ 2601 *et seq.*; the Safe Drinking Water Act, 42 U.S.C. §§ 300f *et seq.*; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§ 136 *et seq.*; the Arizona Environmental Quality Act (Title 49, Arizona Revised Statutes); all requirements, including but not limited to, those pertaining to reporting, licensing, permitting, investigation, and remediation of emissions, discharges, releases, or threatened releases of Hazardous Materials into the air, surface water, ground water, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Materials; and any other local, state, or federal environmental statutes, and all rules, regulations, orders, and decrees now or in the future promulgated under any of the foregoing, as any of the foregoing now exist or may be changed or amended or come into effect in the future.

R. “Final Completion” means completion of the Project, including Punch List items, by the Construction Manager in accordance with the Contract Documents, certified to the Town by the Construction Manager.

S. “Float” means the number of Days by which an activity can be delayed without lengthening the Critical Path and extending the Substantial Completion date.

T. “General Conditions Costs” means a portion of the costs incurred by the Construction Manager during the construction phase, as set forth in Subsection 3.3(A) below.

U. “Town’s Contingency” means a fund used at the discretion of the Town, usually for costs that result from Town-directed changes.

V. “Hazardous Materials” means any substance:

1. Defined as a “regulated substance” within the meaning of Subtitle I of the Resource Conservation and Recovery Act (“RCRA”), 42 U.S.C. §§ 6691 *et seq.*, as amended from time to time, and regulations promulgated thereunder.

2. Designated as a “hazardous substance” pursuant to Section 311 of the Clean Water Act, 33 U.S.C. § 1321, as amended from time to time, and the regulations promulgated thereunder, or listed pursuant to Section 307 of the Clean Water Act, 33 U.S.C. § 1317, as amended from time to time, and the regulations promulgated thereunder.

3. Defined as “hazardous,” “toxic,” or otherwise regulated, under any Environmental Requirements adopted by the state of Arizona, or its agencies or political subdivisions.

4. Containing asbestos or asbestos-containing materials.

5. The presence of which requires notification, investigation, or remediation under federal, state, or local law, statute, regulation, ordinance, order, action, policy, or common law.

6. Which is or becomes defined as a “hazardous waste,” “hazardous substance,” pollutant, or contaminant under any federal, state, or local law, statute, regulation, rule, or ordinance, or amendments thereto.

7. Which is petroleum, petroleum products, including crude oil or any fraction thereof not otherwise designated as a “hazardous substance” under CERCLA, including without limitation gasoline, diesel fuel, or other petroleum hydrocarbons; and, ethanol, methyl tertiary butyl ether, or derivatives or constituents of or vapors from any of the foregoing.

8. Which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority or instrumentality of the United States or the State of Arizona.

9. The presence of which on the Project Site causes or threatens to cause a nuisance upon the Project Site or to the adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about the Project Site.

10. The presence of which on adjacent properties could constitute a trespass by the Construction Manager or the Town.

W. “MAG Specifications” means, collectively, the “Uniform Standard Specifications for Public Works Construction,” current edition as of the date of Contract award, and the “Uniform Standard Details for Public Works Construction,” current edition as of the date of Contract award, which are sponsored and distributed by the Maricopa Association of Governments (“MAG”).

X. “Master Schedule” is defined as set forth in Subsection 2.3(C) below.

Y. “Minor Adjustment” means a written order prepared and signed by the Town and the Construction Manager, approving a change in the Work that does not require an adjustment in the Contract Price or the Contract Time.

Z. “Project Record Document(s)” means the document(s) created pursuant to Section 4.12 below.

AA. “Punch List” means that list of items provided by the Town to the Construction Manager at the time of Substantial Completion indicating items to be completed or corrected, including the time for completion or correction by the Construction Manager after Substantial Completion.

AB. “Shop Drawings” means drawings, diagrams, schedules, and other data specially prepared for the Work by the Construction Manager or a Subcontractor, manufacturer, supplier, or distributor to illustrate some portion of the Work.

AC. “Site” means the land or premises on which the Project is located.

AD. “Specifications” means 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.

AE. “Subcontractor” means a person or entity employed or engaged by the Construction Manager or any person or entity directly or indirectly in privity with the Construction Manager to perform any portion of the Work. The term Subcontractor does not include any separate contractor employed by the Town.

AF. “Substantial Completion” means construction has been completed in accordance with the Contract Documents to the extent that the Town can use or occupy the entire Project, or the designated portion of the Project for the use intended without any outstanding, concurrent construction at the Site, except as may be required to complete or correct Punch List items.

AG. “Underground Storage Tank” shall have the definition assigned to that term by § 9001 of RCRA, 42 U.S.C. § 6991, as amended, and also shall include (1) any tank of 1,100 gallons or less capacity used for storing motor fuel; (2) any tank used for storing heating oil for consumption on the premises where stored; (3) any tank used for storing waste oil; (4) any septic tank; and (5) any pipes with oil dispensers connected to (a) any tank of 1,100 gallons or less capacity used for storing motor fuel or (b) any tank used for storing heating oil for consumption on the premises where stored.

AH. The “Work” means, collectively, the (1) environmental investigation set forth in Section 2.1 below, (2) Review of Construction Documents and design remedies set forth in Section 2.2 below, (3) Preconstruction Phase General Services set forth in Section 2.3 below, (4) Construction Services provided in accordance with Article 4 below, if applicable, (5) Additional Services that may be provided pursuant to an approved Minor Adjustment or Change Order in accordance with Article 8 below, and (6) other services that are necessary to complete the Project in accordance with and reasonably inferable from the Contract Documents.

1.4 Cooperative Relationship. The Town and the Construction Manager agree to proceed with the Project on the basis of trust, good faith, and fair dealing, and shall take all actions reasonably necessary to perform this Agreement in an economical and timely manner, but without sacrificing quality. The Town and the Construction Manager agree to consider design modifications and alternative materials or equipment if necessary to permit the Project to be constructed by the dates of Substantial Completion and Final Completion, as established by the mutually agreed-upon Master Schedule attached hereto.

1.5 Town Representations.

A. Project Designer Selection. The Town has contracted separately with the Project Designers to provide engineering and design for the Project.

B. Town’s Project Manager. The Town has either designated a Town staff member to act as the Town’s Project Manager and/or has contracted separately with a person, firm, or corporation to act as the Town’s Project Manager. The Town’s Project Manager has no design responsibilities of any nature. None of the activities of the Town’s Project Manager supplant or conflict with the design, budget, or any other services and responsibilities furnished by the Construction Manager, the Project Designers, or sub-consultants. All instructions by the Town relating to this Agreement will be issued or given by the Town’s Project Manager. All communications and submittals of Construction Manager to the Town shall be issued or made through the Town’s Project Manager unless the Town or the Town’s Project Manager shall otherwise direct. The Town’s Project Manager shall not unreasonably withhold approval for the Construction Manager to communicate directly with other Town officials or the Project Designers. Throughout the term of this Agreement the Town’s Project Manager shall have the authority to establish procedures, consistent with this Agreement, to be followed by the Construction Manager and to call periodic conferences to be attended by the Construction Manager and the Construction Manager’s Subcontractors.

C. Limited Project Management. None of the Town’s project management activities are intended to supplant or conflict with the design, budget, or any other services and responsibilities customarily furnished by the Construction Manager or its Subcontractors, except as otherwise specifically modified by this Agreement.

D. No Third-Party Relationships. The Construction Manager assumes responsibility to the Town 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 Town and any level of Subcontractor, including but not limited to any third-party beneficiary rights. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against the Town or the Construction Manager.

E. Requests for Information. The Town shall examine requests for information/direction submitted by the Construction Manager and shall render decisions thereto promptly. The Town shall furnish required information and approvals and perform its responsibilities and activities in a timely manner to facilitate orderly progress of the Work (1) in cooperation with the Construction Manager, (2) consistent with this Agreement, and (3) in accordance with the planning and scheduling requirements and budgetary restraints of the Project as determined by the Town.

F. Notice to Construction Manager of Defect. If the Town observes or otherwise becomes aware of any fault or defect in the Project or nonconformity with the Contract Documents, the Town shall give written notice thereof to the Construction Manager.

G. Approvals. The Town shall secure, submit, and pay for City approvals, easements, assessments, permits, and charges required for the Project.

H. Communication. The Town, its representatives, and its consultants shall communicate with the Subcontractors only through the Construction Manager unless otherwise directed or permitted by the Construction Manager.

I. Notices. The Town shall send to the Construction Manager, and shall require the Project Designers to send to the Construction Manager, copies of all notices and communications sent to or received by the Town or the Project Designers relating to the Construction Manager's Services with respect to the Project.

1.6 Construction Manager Representations.

A. Standards. The Construction Manager shall provide professional management and construction services for the Project in accordance with the terms and conditions of this Agreement. The Construction Manager covenants with the Town to furnish its skill and judgment with due care and in accordance with the highest standards of its profession and with Applicable Law in effect on the date of this Agreement or as subsequently amended.

B. Subcontractor Selection Plan. In conjunction with its response to the Town's RFQ, the Construction Manager submitted to the Town a written procedure in conformance with ARIZ. REV. STAT. §§ 34-601 *et seq.*, as amended, for qualifications-based selection of Subcontractors to be utilized in completion of the Project (the "Subcontractor Selection Plan"), which is attached hereto as part of Exhibit F. The Construction Manager shall conduct a telephone and correspondence campaign to attempt to create interest among Subcontractors. The Construction Manager shall develop and coordinate procedures to provide answers to Subcontractors' questions. The Construction Manager shall use best efforts to utilize minority business enterprises, women business enterprises, and local contractors or suppliers. The Construction Manager shall ensure that each Subcontractor has secured the required business licenses, permits, insurance, and bonds. The Construction Manager shall be solely responsible for ensuring that (1) the Subcontractor Selection Plan is in conformance with Applicable Law and (2) all Subcontractors are selected in accordance with the Subcontractor Selection Plan. The Construction Manager shall defend, indemnify, and hold harmless the Town, its agents, representatives, officers, directors, officials, and employees for, 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 Construction Manager's failure to appropriately select its Subcontractors. Additionally, as part of the Construction Manager's submittal of any GMP Proposal under this Agreement, the Construction Manager shall utilize the Subcontractor Selection Plan to meet its requirements under Section 3.7 below.

C. Key Personnel. The Construction Manager shall provide to the Town a list of the proposed key project personnel of the Construction Manager and its Subcontractors to be assigned to the Project. This list shall include information on the professional background of each of the assigned individuals as may be requested by the Town. Such key personnel and consultants shall be satisfactory to the Town and shall not be changed except with the consent of the Town. The Construction Manager will maintain an adequate number of competent and qualified persons, as determined by the Town, to ensure acceptable and timely completion of the Services described in this Agreement. If the Town objects, with reasonable cause, to any of the Construction Manager's staff, the Construction Manager will take prompt corrective action acceptable to the Town and, if required, remove such personnel from the Project and replace with new personnel with qualifications acceptable to the Town. Additionally, the Town shall have the right to request that the Construction Manager personnel be removed from the Project if, in the Town's sole discretion, such personnel are detrimental to the Project delivery process. Upon receipt of such request, the Construction Manager shall remove such personnel unless the Construction Manager can provide the Town with sufficient documentation to prove it is commercially impractical to replace the personnel with similarly qualified personnel. The Town's approval of substituted personnel shall not be unreasonably withheld.

D. Site Conditions. The Construction Manager represents that it has taken steps reasonably necessary to ascertain the nature and location of the Work related to the Project, and that it has investigated and satisfied itself as to the general and local conditions and constraints that are applicable to the Work such as (1) conditions bearing on transportation, disposal, handling, and storage of materials, (2) the availability of labor, water, power, and roads, (3) normal weather conditions, (4) observable physical conditions at the Site, (5) the surface conditions of the ground, and (6) the character of equipment and facilities needed prior to and during the performance of the Work. To the extent the Construction Manager encounters subsurface or concealed conditions that differ materially from those which could reasonably have been determined from a Site surface investigation by the Construction Manager on the date of this Agreement or from those ordinarily found to exist and generally recognized as inherent in the activities of the character provided in the Contract Documents, then the Construction Manager shall give notice to the Town promptly before conditions are disturbed and in no event later than seven Days after the first observance of the conditions if a Change Order is contemplated by the Construction Manager due to such conditions. Such materially different conditions, if discovered after a GMP is approved, may entitle the Construction Manager to an equitable adjustment in the applicable GMP or schedule pursuant to the Change Order provisions set forth in Article 8 below.

1.7 The Town and Subcontractors. The Town will require the Construction Manager to contract directly with such Subcontractors as may be necessary for construction or supply of the Project. All such contracts shall be issued consistent with (A) the applicable provisions of this Agreement, and (B) Applicable Law, including, but not limited to, the requirements of ARIZ. REV. STAT. § 34-605(J) relating to inclusion of the Project's physical location in all subcontracts.

1.8 Construction Manager to Other Project Participants. In providing the Services described in this Agreement, the Construction Manager shall endeavor to maintain a working relationship with the Project Designers. The Project Designers are solely responsible for the Project design and shall perform in accordance with their respective agreements with the Town. Nothing in this Agreement shall be construed to mean that the Construction Manager is responsible for the design of the Project or that the Construction Manager assumes any of the contractual or customary responsibilities or duties of the Project Designers or

any other persons or parties not specified by this Agreement; provided, however, that the Construction Manager shall provide comment and input in the form of a value analysis and constructability review with respect to the Project Designers' designs as set forth in Section 2.2 below.

1.9 Data Confidentiality.

A. Data Defined. As used in this Agreement, "data" means all information, whether written or verbal, including plans, photographs, studies, investigations, audits, analyses, samples, reports, calculations, internal memos, meeting minutes, data field notes, work product, proposals, correspondence, and any other similar documents or information prepared by or obtained by the Construction Manager in the performance of this Agreement.

B. Confidentiality. The Parties agree, subject to Arizona public records law, that all data, including originals, images, and reproductions, prepared by, obtained by, or transmitted to the Construction Manager in connection with the Construction Manager's performance of this Agreement is confidential and proprietary information belonging to the Town.

C. Use of Data. The Construction Manager will not divulge data to any third party without prior, written consent of the Town. The Construction Manager will not use the data for any purposes except to perform the Services required under this Agreement. These prohibitions will not apply to any of the following data, provided the Construction Manager has first given the required notice to the Town:

1. Data that was known to the Construction Manager prior to its performance under this Agreement, unless such data was acquired in connection with work performed for the Town.

2. Data that was acquired by the Construction Manager in its performance under this Agreement, and which was disclosed to the Construction Manager by a third party, who to the best of the Construction Manager's knowledge and belief, had the legal right to make such disclosure and the Construction Manager is not otherwise required to hold such data in confidence.

3. Data that is required to be disclosed by the Construction Manager by virtue of law, regulation, or court order.

D. Disclosure Notice. In the event the Construction Manager is required or requested to disclose data to a third party, or any other information to which the Construction Manager became privy as a result of any other contract with the Town, the Construction Manager will first notify the Town as set forth in this Section of the request or demand for the data. The Construction Manager will timely give the Town sufficient facts, such that the Town can have a meaningful opportunity to either first give its consent or take such action that the Town may deem appropriate to protect such data or other information from disclosure.

E. Return After Completion. The Construction Manager, unless prohibited by law, within 10 Days after completion of services for a third party on real or personal property owned or leased by the Town, will promptly deliver, as set forth in this Section, a copy of all data to the Town. All data will continue to be subject to the confidentiality requirements of this Agreement.

F. Construction Manager Responsible. The Construction Manager assumes all liability for maintaining the confidentiality of the data in its possession and agrees to compensate the Town if any of the provisions of this Section are violated by the Construction Manager, its employees, agents, or Subcontractors. For the purposes of seeking injunctive relief, it is agreed that a breach of this Section will be deemed to cause irreparable harm that justifies injunctive relief in court.

ARTICLE 2 PRECONSTRUCTION SERVICES

2.1 Environmental Investigation.

A. Discovery. Upon written notice from the Town or upon the Construction Manager's discovery of Environmental Conditions on the Site, the Construction Manager shall recommend, for execution by the Town, one or more contracts ("Environmental Contracts") with suitably qualified consultants and/or engineers ("Environmental Engineers"), each of which Environmental Engineer and which form of Environmental Contract shall be subject to the approval of the Town, for purposes of performing an investigation and analysis of the Site prior to demolition and excavation activities, to determine the presence of any Environmental Conditions on, in, or under the Site. The Environmental Contracts shall provide for a commercially reasonable scope of investigation and costs approved by the Town, and may provide for conducting the investigation and testing in phases acceptable to the Town. The Environmental Contracts shall also provide that the Environmental Engineers shall begin their tests and inspections at the Site as soon as the Town is able to arrange access to the Site, or any portions thereof, for such purposes. The Environmental Contracts shall provide that the Construction Manager, acting as agent of the Town, shall coordinate the activities of the Environmental Engineers with the Work.

B. Assessment; Remediation Analysis. The Environmental Contracts shall provide that the Environmental Engineers shall prepare such reports, feasibility studies, and remedial plans in accordance with applicable local, state, and federal rules, regulations, and laws, including the federal "all appropriate inquiry" Standard and American Society for Testing and Materials, ASTM E1527-13 ("Environmental Assessments") as may be reasonably necessary to identify and explain the quantity, scope, and nature of the Environmental Conditions found to exist at the Site. The Environmental Assessments shall contain a detailed analysis of the Environmental Conditions discovered, and the actions ("Remedial Actions") required for the response, removal, cleanup, or remediation of such Environmental Conditions (1) that are required by Environmental Requirements, or (2) that are reasonably necessary to mitigate Environmental Damages.

C. Impact on Master Schedule. The Environmental Contracts shall provide that the Environmental Engineers shall promptly provide the Town and the Construction Manager with a copy of each Environmental Assessment, together with any other reports and test results generated pursuant to the Environmental Contracts. The Construction Manager shall, promptly after receipt of the foregoing matters from the Environmental Engineers, prepare and submit to the Town a written report setting forth the Construction Manager's understanding of whether and to what extent any recommended Remedial Actions may result in an amendment to the Master Schedule and the progress of the Work.

D. Notice; Permitting. The Environmental Contracts shall require the Environmental Engineers to (1) give notice to the Town of the presence of Environmental Conditions, (2) only upon the written consent of the Town, give any necessary notice to the Federal government and the State of Arizona or other agencies of the presence of any Environmental Conditions, (3) assist the Town in negotiations with Federal and Arizona agencies concerning preparation and approval of a plan for clean-up to the extent required, and (4) obtain all necessary permits to perform any Remedial Actions.

E. Remediation Contractors. If so instructed by the Town, based upon the results of the Environmental Assessments, the Construction Manager shall assist the Town with obtaining bids from remediation contractors ("Remediation Contractors") suitably qualified and approved by the Town to perform the Remedial Actions selected by the Town. If the Town elects to go forward with all or any portion of the Remedial Actions covered by the bids submitted, the Town will so advise the Construction Manager in a written notice on or before the date that is 60 Days after receipt of the foregoing matters from the

Construction Manager. Thereafter, the Town shall execute contracts with the selected Remediation Contractors (“Remediation Contracts”).

F. Coordination. Unless otherwise instructed, the Construction Manager, as agent for the Town, shall be responsible for coordinating the work and services performed by the Remediation Contractors with the Work.

G. Payment for Remediation. The Town will make all payments due under the Environmental Contracts and the Remediation Contracts directly to the Environmental Engineers and the Remediation Contractors. Such payments will be based on requisitions, which requisitions shall be approved by the Construction Manager prior to submission to the Town. All payments due under the Environmental Contracts, the Remediation Contracts, and for Environmental Damages, shall not be a part of the applicable GMP, and shall be the sole responsibility of the Town, except as expressly provided otherwise.

H. Additional Discovery. If, in the course of performance of the Work, the Construction Manager encounters on the Site any Environmental Conditions not previously disclosed and remediated by the Environmental Engineers or the Remediation Contractors, the Construction Manager shall immediately suspend the Work in the area affected and promptly thereafter report the condition to the Town.

I. Construction Manager Responsibility. Except as set forth in Subsection 2.1(L) below, it is understood and agreed that with respect to any Environmental Conditions existing on the Site, the Construction Manager is not, and shall not be deemed to be, a generator, arranger, owner, operator, treater, storer, transporter, or disposer of, or otherwise responsible for, any such Environmental Conditions. It is understood and agreed that the Construction Manager shall have no right to direct the means or methods of performance of any Environmental Engineer or Remediation Contractor.

J. Town Indemnity. To the extent that the Construction Manager or the Subcontractors are not in violation of Subsection 2.1(L) below and to the extent sufficient appropriations are made pursuant to Section 14.18 below, the Town shall indemnify, defend, and hold harmless the Construction Manager, the Subcontractors, and the directors, officers, agents, and employees of each (the “Construction Manager Indemnitees”), for, from, and against any Environmental Damages asserted against or sustained by such parties as a result of any of the Construction Manager Indemnitees being deemed or determined to be a generator, arranger, owner, operator, treater, storer, transporter, or disposer of, or otherwise responsible for, any such Environmental Conditions.

K. Delay for Remedial Actions. The Town acknowledges and agrees that the Construction Manager shall not commence or continue any demolition or construction activities on any portion of the Site on or in which Remedial Actions are to be performed until such Remedial Actions are to the point where construction activities will not interfere with such Remedial Actions, as evidenced by appropriate certification by the applicable Environmental Engineer and/or Remediation Contractor, and any required approvals of any applicable government agencies. The Construction Manager agrees to use good faith efforts to adjust and reschedule its activities at the Site so as to minimize, to the extent reasonably practical, the adverse effect on the progress of the Work resulting from any Remedial Actions.

L. Hazardous Materials Prohibited. The Construction Manager shall not bring Hazardous Materials to the Site and shall not include Hazardous Materials in any construction materials, unless permitted by Environmental Requirements. The Construction Manager shall comply, and shall cause the Subcontractors to comply, with all Environmental Requirements regarding the generation, handling, storage, treatment, and disposal of Hazardous Materials.

M. Construction Manager Indemnity. The Construction Manager shall indemnify, defend, and hold harmless the Town, its agents, representatives, officers, and employees for, from, and against any Environmental Damages asserted against or sustained by such parties as a result of any violation by the Construction Manager or the Subcontractors of any Environmental Requirements arising out of Subsection 2.1(L) above.

2.2 Review of Construction Documents; Design Remedies.

A. Program Evaluation. The Construction Manager will provide to the Town a written evaluation of the Town's proposed Project and Project budget, with recommendations as to the appropriateness of each, and an analysis as to how each contribute to successfully achieving the Town's goal for the Project.

B. Design Document Review. The Construction Manager shall assist the Town in reviewing the Construction Documents for clarity, consistency, constructability, and coordination among the various contractors. The Construction Manager's first review of the Construction Documents shall occur at the 30% stage of the design for each component of the Project as designated by the Town and shall be ongoing until 100% plans are final and complete for all phases of the Project. If the Construction Manager recognizes that portions of the Construction Documents are (1) in violation of Applicable Law or (2) in any way inadequate to achieve the intended result of the Project, the Construction Manager shall immediately notify the Town in writing, describing the apparent violation or inadequacy.

1. The Construction Manager will periodically evaluate the availability of labor, materials/equipment, building systems, cost-sensitive aspects of the design, and other factors that may impact the Cost Model, GMP Proposals, and/or the Master Schedule.

2. The Construction Manager will identify those additional surface and subsurface investigations that are required to provide the necessary information for the Construction Manager to construct the Project. After completion of preconstruction services, the Construction Manager may provide additional investigations to improve the adequacy and completeness of the Site condition information and data made available with the Construction Documents. The Construction Manager will be responsible for the time and cost required to obtain such additional investigations, except as otherwise provided by specific Additional Services.

3. The Construction Manager will meet with the Project team as required to review designs during their development. The Construction Manager will thoroughly familiarize itself with the evolving documents through schematic design, design development, and Construction Documents (detailed design). The Construction Manager will proactively advise the Project team and make recommendations on factors related to construction costs, and concerns pertaining to the feasibility and practicality of any proposed means and methods, selected materials, equipment, building systems, and labor and material availability. The Construction Manager will also advise the Project team on proposed Site improvements, excavation, and foundation considerations, as well as concerns that exist with respect to the coordination of the Construction Documents. The Construction Manager will recommend cost-effective alternatives.

C. Constructability and Biddability Reviews. The Construction Manager will conduct constructability and biddability reviews of the Construction Documents. The reviews will attempt to identify all discrepancies and inconsistencies in the Construction Documents, especially those related to clarity, consistency, and coordination of Work of Subcontractors and suppliers. The Construction Manager shall provide the Town with a written report containing, at a minimum, (1) a summary of the research and analysis conducted, (2) a detailed description of any constructability issues or challenges, and (3) recommendations for correcting any constructability issues or challenges.

1. Constructability Review. The Construction Manager will evaluate whether (a) the Construction Documents are configured to enable efficient construction, (b) design elements are standardized, (c) construction efficiency is properly considered in the Construction Documents, (d) module/preassembly design are prepared to facilitate fabrication, transport, and installation, (e) the design promotes accessibility of personnel, material, and equipment and facilitates construction under adverse weather conditions, (f) sequences of Work required by or inferable from the Construction Documents are practicable, and (g) the design has taken into consideration efficiency issues concerning access and entrance to the Site, laydown and storage of materials, staging of Site facilities, construction parking, and other similar pertinent issues.

2. Biddability Review. The Construction Manager will check cross-references and complementary Project drawings and sections within the Construction Documents and evaluate whether (a) the plans and Specifications are sufficiently clear and detailed to minimize ambiguity and to reduce scope interpretation discrepancies, (b) named materials and equipment are commercially available and are performing well or otherwise, in similar installations, (c) the design provides as-built data, (d) Specifications include alternatives in the event a requirement cannot be met in the field, and (e) the Project is likely to be subject to Differing Site Conditions considering the data on subsurface conditions, physical conditions of existing surface and subsurface facilities, and physical conditions of underground utilities made available by the design or resulting from conditions inherent to work similar to the Work.

3. Reports. The results of the reviews will be provided to the Town in written reports clearly identifying all discovered discrepancies and inconsistencies in the Project plans and Specifications with notations and recommendations made on the plans, Specifications, and other Construction Documents. If requested by the Town, the Construction Manager will meet with the Town's Project Manager and Project Designers to discuss any findings and to review reports.

D. Notification of Variance or Deficiency. The Construction Manager is responsible for assisting the Project Designers in ascertaining that the Construction Documents are in accordance with Applicable Laws, statutes, ordinances, building codes, rules, and regulations. If the Construction Manager recognizes that portions of the Construction Documents are at variance with Applicable Laws, statutes, ordinances, building codes, rules, and regulations it will promptly notify the Project Designers and the Town in writing, describing the apparent variance or deficiency.

E. Value Analysis. The Construction Manager shall make recommendations to the Town and the Project Designers with respect to constructability, construction cost, sequence of construction, construction duration, possible means and methods of construction, time for construction, and separation of the Project into contracts for various categories of the Work. Construction Manager shall evaluate all design options to provide value analysis services and cost savings recommendations to the Town. The Construction Manager shall consider options most effective in first costs as well as long term operational costs and life cycle costs when evaluating each design option. The Construction Manager shall submit to the Town and Project Designers (1) written cost studies, (2) cost-benefit evaluations of each cost study, (3) a formal report to the design team, (4) a final written analysis study document, and (5) a tracking report for the increases or decreases in Project cost due to value engineering or scope changes. The Town will decide which alternatives will be incorporated into the Project. The Project Designers will have full responsibility for the incorporation of the alternatives into the Contract Documents. The Construction Manager will include the cost of the alternatives into the Cost Model and any GMP Proposals.

F. Certification. At the completion of its review of the Construction Documents for each phase of the Project, the Construction Manager shall certify, without assuming engineering responsibility therefore, that the Construction Documents are sufficient and complete to build the respective portion of the Project within (1) the time available before the respective Substantial Completion date and

(2) the Project budget. The Construction Manager's assistance in reviewing the Project design, Construction Documents, and in making recommendations as provided herein is only for the purpose of providing advice to the Town. Nothing in this Subsection shall relieve the Project Designers of their respective responsibility for the Construction Documents.

G. Construction Manager Not Responsible for Design. Notwithstanding the foregoing, the Construction Manager is not responsible for providing, nor does the Construction Manager control, the Project design and contents of the Construction Documents. By assisting with the reviews described herein, the Construction Manager is not acting in a manner so as to assume responsibility or liability, in whole or in part, for all or any part of the Project design and Construction Documents.

2.3 Preconstruction Phase General Services.

A. Personnel; Project Meetings; Project Analysis. The Construction Manager will meet with the Town, the Project Designers, and all the other Project stakeholders to fully understand the program, the Construction Documents, and all other aspects of the Project. The Construction Manager shall attend the regularly scheduled meetings with the Town and the Project Designers to advise the Town on matters of Site use, improvements, selection of materials, building methods, construction details, building systems, equipment, phasing, and sequencing.

1. The Construction Manager will provide preconstruction services, described herein, in a proactive manner and consistent with the intent of the most current Construction Documents. The Construction Manager will promptly notify the Town in writing whenever the Construction Manager determines that any Construction Documents are inappropriate for the Project and/or cause changes in the scope of Work requiring an adjustment in the Cost Model, Master Schedule, GMP Proposals, and/or in the Contract Time for the Work, to the extent such are established.

2. The Construction Manager, when requested by the Town or at its own initiative, if sanctioned by the Town, will attend, make presentations, and participate as may be appropriate in public agency and/or community meetings, germane to the Project. The Construction Manager will assist the Project Designers in the preparation of drawings, schedule diagrams, budget charts, and other materials describing the Project, when their use is required or appropriate in any such public agency meetings.

B. Construction Management Plan.

1. Preparing Plan. The Construction Manager will prepare a construction management plan (the "Construction Management Plan") that will detail, but not necessarily be limited to, the Construction Manager's determinations concerning (a) Project milestone dates and the Master Schedule, including the broad sequencing of the design and construction of the Project; (b) investigations, if any, to be undertaken to ascertain subsurface conditions and physical conditions of existing surface and subsurface facilities and underground utilities; (c) alternate strategies for fast-tracking and/or phasing the construction; (d) separate bidding documents/packages and strategies for the early procurement of long-lead equipment and/or materials; (e) the number of separate subcontracts to be awarded to Subcontractors and suppliers for the Project construction; (f) permitting strategy; (g) safety and training programs; (h) construction quality control; (i) the Project Cost Model and basis of the model; (j) a matrix summarizing each Project team member's responsibilities and roles related to the Services; and (k) construction security. If the Town has retained a "Project Manager" for the Project, the Construction Management Plan shall be coordinated with the Project Management Plan and Design Phase Milestone Schedule prepared by the Project Manager.

2. Maintaining Plan. The Construction Manager shall keep the Construction Management Plan current throughout the preconstruction services phase so that the Construction Management Plan is ready for implementation at the start of the construction phase. The update/revisions will take into account (a) revisions in Construction Documents; (b) the Construction Manager's examination of the results of any additional investigatory reports of subsurface conditions, drawings of physical conditions of existing surface and subsurface facilities, and documents depicting underground utilities placement and physical condition, whether obtained by the Town, Project Designers, or the Construction Manager; (c) unresolved permitting issues, and significant issues, if any, pertaining to the acquisition of land and rights-of-way; (d) the fast-tracking (if any) of the construction, or other chosen construction delivery methods; (e) the requisite number of separate bidding documents to be advertised; (f) the status of the procurement of long-lead time equipment and/or materials; and (g) funding issues identified by the Town.

C. Schedule Development. In accordance with the Construction Management Plan, the Construction Manager shall prepare a master schedule for the Project (the "Master Schedule"). In preparing the Master Schedule, the Construction Manager shall establish (1) detailed Critical Path Method ("CPM") resource-loaded schedules for the preconstruction/design phase and the construction phase of the Project with concurrence of the Town and the Project Designers, and (2) monitor the Project schedules during the preconstruction phase and ensure that the Master Schedule is updated as necessary and advise the Town of any schedule deficiencies.

1. Each Project team member is responsible for its compliance with the Master Schedule requirements. The Construction Manager will update and maintain the Master Schedule on behalf of and to be used by the Project team based on input from other team members. The Master Schedule will be consistent with the most recent revised/updated Construction Management Plan. The Master Schedule will be presented in graphical and tabular reports as agreed upon by the Project team. The Master Schedule will include all tasks and deliverables required by each member of the Project team to identify long lead items, real property transactions, utility relocation activity, permitting requirements, etc. If Project phasing as described below is required, the Master Schedule will indicate milestone dates for the phases. The Master Schedule's activities will directly correlate with the Schedule of Values (as defined in Subsection 2.3(D)(4) below). The Master Schedule shall include resource loading for manpower and cash flow. The manpower loading shall include the daily manpower required to complete the task as shown on the Master Schedule.

2. The Construction Manager will include and integrate in the Master Schedule the services and activities required of the Town's Project Manager, Project Designers, and Construction Manager, including all construction phase activities. The Master Schedule will detail activities to the extent required to show (a) the coordination between schematic design, design development, and Construction Documents (detailed design), (b) separate long-lead procurements, (c) permitting issues, (d) land and right-of-way acquisition, if any, (e) bid packaging strategy and awards to Subcontractors and suppliers, (f) major stages of construction, (g) start-up, and (h) occupancy of the completed Work by the Town. The Master Schedule will include, by example and not limitation, proposed activity sequences and durations for design, procurement, construction, and testing activities, milestone dates for actions and decisions by the Project team, preparation and processing of Shop Drawings and samples, delivery of materials or equipment requiring long-lead time procurement, milestone dates for various construction phases, total Float for all activities, relationships between the activities, the Town's occupancy requirements showing portions of the Project having occupancy priority, and proposed dates for Substantial Completion and when the Work would be ready for final acceptance.

3. The Master Schedule will be updated and maintained by the Construction Manager with assistance from the Project team throughout the preconstruction services phase such that it will not require major changes at the start of the construction phase to incorporate the Construction Manager's plan for the performance of the construction phase Work. The Construction Manager will provide updates and/or revisions to the Master Schedule for use by the Project team, whenever required, but no less often than monthly; provided, however, that no such changes shall alter the date of Substantial Completion without the Town prior, written approval. The Construction Manager will include with such submittals a narrative describing its analysis of the progress achieved versus that planned, any concerns regarding delays or potential delays, and any recommendations regarding mitigating actions.

4. Prior to transmitting Contract Documents to Subcontractors, the Construction Manager shall prepare a pre-proposal construction schedule for each part of the Project and make the schedule available to the Subcontractors. The Construction Manager shall provide a copy of the Master Schedule to the Subcontractors. As part of the notice of award by the Construction Manager to each Subcontractor, the Construction Manager shall inform each Subcontractor of the requirements for the preparation of the Master Schedule. Each Subcontractor shall prepare its own Subcontractor construction schedule in accordance with the requirements of the Contract Documents.

D. Cost Models; Cost Estimates and Schedule of Values. The Construction Manager shall provide the Town and its Project Manager (if any) with detailed cost information for all aspects of the Project. Each cost model will contain a detailed estimate of the direct cost (including materials, labor, and equipment) pertaining to each aspect of the Project along with the cost of the contract bonds, the cost of the Project's required insurance, the cost of all applicable taxes, the Construction Manager's general conditions, the Construction Manager's fee, and the amount of the Construction Manager's Contingency and shall be consistent with such requirements as determined by the Town or the Project Designers. The individual aspect cost models shall be collectively referred to as the "Cost Model."

1. As soon as practical during the schematic design phase, the Construction Manager will review all available information regarding the design and scope of the Project, and based on the Construction Manager's experience in performing similar work, develop a Cost Model for review and approval by the Town and its Project Manager (if any). Once approved by the Town, the Cost Model will be continually updated and kept current as the design progresses throughout the preconstruction phase until a final GMP for the entire Project is established. The Cost Model will be the Construction Manager's best representation of the complete functional Project's construction costs. The Construction Manager will communicate to the Project team any assumptions made in preparing the Cost Model. The Cost Model will support the Construction Manager's construction cost estimates and may be broken down initially as dictated by the available information. The Cost Model will also include allowances as agreed to by the Project team, including but not limited to (a) allowances for potential additional quantities and/or additional Work that the Town may require, and (b) any costs related to investigations described in Section 2.1 above.

2. After receipt of the Project Designers' most current documents from certain specified design milestones, the Construction Manager will provide a detailed written report to the Project team regarding the impact of and changes to the Cost Model based on the Construction Manager's review of Construction Documents made available at the specified design milestone. The Town's Project Manager, Project Designers, and the Construction Manager will reconcile any disagreements on the estimate to arrive at an agreed-upon estimate for the construction costs based on the scope of the Project through that specified design milestone. The design milestones applicable to this paragraph are schematic design document completion, design

development document completion, and detailed design completion at 30%, 60%, 95%, and 100%. If no consensus is reached, the Town will make the final determination. If the Project team requires additional updates of the Cost Model beyond that specified in this Subsection, the Construction Manager will provide the requested information in a timely manner.

3. If, at any point, the estimate submitted to the Town exceeds previously-accepted estimates or other key aspects of the Cost Model or the Town's Project budget, the Construction Manager will make appropriate recommendations to the Town's Project Manager and Project Designers on means/methods, materials, and/or other design elements that it believes will reduce the estimated construction costs (without altering the Town's basic program), such that it is equal to or less than the established Project budget.

4. Near completion of the 60% detailed design review and included with the associated report, the Construction Manager will also submit to the Town for review and approval a "Schedule of Values" which complies with the following requirements. The Schedule of Values will highlight significant variances from any previously submitted preliminary Schedule of Values. The Schedule of Values will be directly related to the breakdowns reflected in the Construction Management Plan and the Construction Manager's Cost Model. In addition, the Schedule of Values will (a) detail unit prices and quantity take-offs, (b) segregate Work covered by any changes to construction phase Work already in progress, (c) reconcile used and remaining Construction Manager's Contingency (as defined in Subsection 3.3(D)(1) below) allowance, (d) detail all other allowances and unit price Work shown and specified in the detailed Construction Documents, and (e) material and equipment costs, labor costs, General Conditions costs, hourly labor rates, payment for preconstruction services, and total cost. Labor costs in the Schedule of Values will include employee benefits, payroll taxes, and other payroll burdens. The total cost for any portion of the Work to be performed by Subcontractors will include Subcontractor overhead and profit.

5. The Construction Manager will submit to the Town a final Schedule of Values based on the 100% detailed design set of Construction Documents for the entire Project or any portion thereof, which final Schedule of Values will also be included in any proposed GMP(s).

6. Upon request by the Town, the Construction Manager will submit to the Town a cash flow projection for the Project based on the current updated/revised Master Schedule and the anticipated level of payments for the Construction Manager during the preconstruction and construction phases. In addition, if requested by the Town and based on information provided by the Town, the Construction Manager will prepare a cash flow projection for the entire Project based on historical records for similar types of projects to assist the Town in the financing process.

E. Traffic Control/Sequencing Plans. The Construction Manager shall provide the Town with (1) a detailed traffic control plan, in accordance with Subsection 4.5(R) below, and (2) construction sequencing plans. Upon approval by the Town, the traffic control plan and the construction sequencing plan shall be attached hereto as Exhibit G and incorporated herein by reference.

F. Phasing; Long Lead Procurement. The Construction Manager shall review the Construction Documents and make recommendations to the Town with respect to the phase issuance of the Construction Documents to facilitate phased construction of the Work, if appropriate. The Construction Manager will take into consideration such factors as natural and practical lines of work severability, sequencing effectiveness, access and availability constraints, total time for completion, construction market conditions, labor and materials availability, and any other factors pertinent to saving time and cost. The Construction Manager may also recommend to the Town and to the Project Designers a list and a schedule for purchasing items necessary for the Project which may require substantial lead time for procurement (the "Long Lead Items"), which may be separately procured by the Town or included as a separate GMP in this

Agreement, at the discretion of the Town. The Construction Manager shall make such adjustments to the Master Schedule as necessary to accommodate the procurement process for the Long Lead Items. Upon purchase, the Construction Manager shall safeguard the Long Lead Items until installed as part of the Project.

G. Other Deliverables; Preconstruction Progress Payments. The Construction Manager shall provide the Town with written plans for the pre-qualification of Subcontractors (according to the Subcontractor Selection Plan), subcontract bid packages, project safety, quality control, owner training, and commissioning. The Construction Manager will prepare and submit monthly pay applications to the Town for work performed during the specific payment period for the preconstruction phase of the Project.

ARTICLE 3 GUARANTEED MAXIMUM PRICE PROPOSAL

3.1 GMP Submittal Process. At the stage of the preconstruction phase services as determined by the Town, the Construction Manager shall, if requested by the Town, submit a GMP Proposal, which shall be the sum of the estimated Cost of the Work relating to completion of the Scope for the Project and the Construction Fee relating to the Project based upon the most current version of the Cost Model. Each GMP Proposal shall include, in the Cost of the Work, those taxes that are applicable at the time the GMP is established. Each GMP is the total cost of the applicable portion of the Project including the cost of labor, equipment, supplies, materials, services, and allowances to complete the applicable portion of the Project. The cost data is directly correlated to the specific Construction Documents in existence at the time each GMP Proposal is prepared. The assumptions used in the preparation of the GMP Proposal shall be identified by the Construction Manager as part of the GMP Proposal. In submitting this proposal, the Construction Manager represents that:

A. Document Review. The Construction Manager has examined and carefully studied the Contract Documents for the construction phase, including all addenda.

B. Site Visit. The Construction Manager has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, performance, and furnishing of the Work.

C. Laws and Regulations. The Construction Manager is familiar with and is satisfied as to all Applicable Laws that may affect cost, progress, performance, and furnishing of the Work, including, but not limited to, ARIZ. REV. STAT. § 42-5075(P), which applies to the Project contemplated within this Agreement.

D. Reports; Subsurface Conditions. The Construction Manager has carefully studied all reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site which have been identified in the Contract Documents for the construction phase. The Construction Manager acknowledges that such new reports may not be complete for Construction Manager's purposes. The Construction Manager acknowledges that the Town and Project Designers do not assume responsibility for the accuracy or completeness of information and data shown or indicated in the Contract Documents for the construction phase with respect to underground facilities at or contiguous to the Site. The Construction Manager has obtained and carefully studied (or assumes responsibility for having done so) all such additional or supplementary examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface, and underground facilities) at or contiguous to the Site or otherwise which may affect cost, progress, performance, or furnishing of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by

the Construction Manager and safety precautions and programs incident thereto. The Construction Manager does not consider that any additional examinations, investigations, explorations, tests, studies, or data are necessary for the determination of this GMP Proposal for performance and furnishing of the Work in accordance with the times, price, and other terms and conditions of the Contract Documents for the construction phase.

E. Work by Others. The Construction Manager is aware of the general nature of the Work to be performed by the Town and others at the Site that relates to the Work for which the GMP Proposal is submitted as indicated in the Contract Documents for the construction phase.

F. Conditions and Plans Correlated. The Construction Manager has correlated the information known to Construction Manager, information and observations obtained from visits to the site, reports and drawings identified in the Contract Documents for the construction phase, and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents for the construction phase.

G. Inconsistencies Resolved. The Construction Manager has given Project Designers written notice of all conflicts, errors, ambiguities, or discrepancies that the Construction Manager has discovered in the Contract Documents for the construction phase, and the written resolution thereof by Project Designers is acceptable to the Construction Manager, and the Contract Documents for the construction phase are generally sufficient to indicate and convey understanding of all terms and conditions for performing and furnishing the Work for which the GMP Proposal is submitted.

H. No Improper Actions. The proposal is genuine and not made in the interest of or on behalf of any undisclosed person, firm, or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization, or corporation; Construction Manager has not directly or indirectly induced or solicited any person, firm, or corporation to refrain from proposing; and the Construction Manager has not sought collusion to obtain for itself any advantage over any other contractor or over the Town.

3.2 Acknowledged Construction Documents. The Construction Manager, in preparing any GMP Proposal, will obtain from the Project Designers three sets of signed, sealed, and dated Construction Documents (including all addenda). The Construction Manager will prepare its GMP Proposal in accordance with the Town's requirements and the most-current completed Construction Documents at that time. The Construction Manager will mark the face of each document of each set upon which its GMP Proposal is based. The Construction Manager will send one set of those documents to the Town's Project Manager, keep one set, and return the third set to the Project Designers.

3.3 Direct Construction Costs. Direct Construction Costs means the sum of the amounts that the Construction Manager actually and necessarily incurs constructing the Work in strict compliance with the Contract Documents. Direct Construction Costs include only the cost categories set forth in this Article and does not include the Preconstruction Phase Fees or the Construction Phase Fees unless specifically noted.

A. General Conditions Costs. The Construction Manager is entitled to receive reimbursement for the actual cost of the allowable General Conditions items incurred between issuance of the applicable Notice to Proceed and 30 days after the date scheduled for Substantial Completion. The Construction Manager is entitled to reimbursement for General Conditions Costs incurred before receipt of the Notice to Proceed, or after Substantial Completion, only with prior written approval of the Town. "Allowable General Conditions Cost Line Items" are identified below and in Exhibit H, attached hereto and incorporated herein by reference. These items shall be included in the General Conditions Cost amount

shown as a line item in the applicable GMP Proposal and as detailed on the Schedule of Values. Items not specifically included below or in Exhibit H will not be allowed as General Condition Costs.

1. Personnel costs, which include wages paid for the Construction Manager's hourly employees and salaries of the Construction Manager's salaried personnel when (a) stationed at the field office located at the Site and working on matters directly related to the Project, in whatever capacity employed; (b) engaged on the road expediting the production or transportation of material and equipment; and (c) performing functions directly related to the Work from the principal or branch office. The project manager's salary may be included in the General Conditions Costs only when the project manager is directly managing the Project. Personnel costs also include the cost of all employee benefits and taxes including but not limited to, unemployment compensation, Social Security, health, welfare, retirement, and other fringe benefits as required by law, labor agreements, or paid under the Construction Manager's standard personnel policy. All personnel costs are subject to audit to determine the actual cost of the wages, salaries, and allowable employer contributions incurred by the Construction Manager for services performed for the Project.

2. Reasonable transportation, travel, and hotel expenses of the Construction Manager's personnel incurred in connection with the Work.

3. Costs of long-distance telephone calls, telegrams, postage, package delivery, and courier service, hardwired telephone service, and reasonable expenses of Construction Manager's jobsite office if incurred at the Site and directly and solely in support of the Work.

4. Costs of materials, supplies, temporary facilities, equipment, and hand tools (except those customarily owned by construction workers) supplied to the Site by the Construction Manager, if such items are fully consumed in the construction of the Work and are included in the list of Allowable General Conditions Cost Line Items set forth in Exhibit H. Cost for used items shall be based on fair market value and may include transportation, installation, and minor maintenance costs, and removal costs. If an item is not fully consumed in the construction of the Work, its recoverable cost under this Contract shall be based on the original cost of the item less its fair market salvage value.

5. Rental charges for temporary facilities, equipment, and hand tools (except those customarily owned by construction workers), supplied to the Site by Construction Manager, provided they are included in the list of Allowable General Conditions Cost Line Items set forth in Exhibit H and the Town has approved the rentals and the rental rates in advance and in writing. Rental rates may include transportation, installation, and minor maintenance costs, and removal costs. For tools, machinery, or construction equipment rented directly from the Construction Manager, the rental rate, including freight and delivery costs and all operating expenses except labor, shall be approved in advance by the Town and shall be in accordance with either the "Rental Rate Blue Book for Construction Mobilization Costs" published by Primedia, latest edition, or the most recent rates provided by Equipmentwatch.com, but no higher than the prevailing competitive rates for rental of similar equipment in the Project vicinity.

6. The aggregate rental cost of any item charged to the Town shall not exceed 50% of the purchase price and maintenance cost of the item without prior written approval by the Town. If the anticipated aggregate rental cost for an item of equipment matches the purchase and maintenance price, the Construction Manager shall purchase the equipment and turn it over to the Town upon final completion of the Work or, at the Town's option, credit the Town with the fair market resale value of the item.

7. Permit and inspection fees paid by the Construction Manager where the Town is exempt will not be reimbursed by the Town.

8. Cost of premiums for normal and customary Construction Manager's Subcontractor default insurance at the rate of 3.3% of the cost of subcontracts and Subcontractor's liability, Workers' Compensation, and builders risk insurance as required pursuant to Article 10 below, which shall be identified as separate line items within the applicable GMP. If the Construction Manager intends to utilize Subcontractor Liability Wrap-up Coverage (Z-25), it will be reimbursed at a rate typical of similar water reclamation facility construction projects in Yavapai County and credited from the Subcontractor bids. Commercial General Liability Insurance shall be reimbursed at the rate of 2.8% of the applicable GMP amount; Builders Risk Insurance shall be reimbursed at the rate of .02% of the applicable GMP amount. All amounts shall be identified as separate line items within the applicable GMP.

9. Cost of bond premiums to the extent directly attributable to the Project. Performance and Payment Bonds shall be reimbursed at 1.2% of the applicable GMP amount.

10. Governmental transaction privilege sales and use taxes directly attributable to the General Conditions Items that are not subject to exemption, in the form and at the rates legally enacted on the date of the first GMP, whether such taxes are effective or scheduled to go into effect. Such taxes paid on materials or services that were entitled to tax exemption will not be reimbursed by the Town as Direct Construction Costs.

B. Cost of the Work. The Construction Manager is entitled to receive payment for the actual cost of the allowable Cost of the Work items incurred after receipt of the Town's written Notice to Proceed with the Construction Phase Work through Final Completion of the Project. The Construction Manager is not entitled to reimbursement for Cost of the Work costs incurred before receipt of the Town's written Notice to Proceed. Cost of the Work includes the following:

1. Costs of materials, supplies, and equipment purchased directly by the Construction Manager and incorporated into or consumed in the performance of the Work, including transportation charges, to the extent such costs of materials, supplies, and equipment are not included in the General Conditions Costs.

2. Costs of removal and disposal in accordance with all Applicable Laws and regulations of Site debris, non-hazardous substances, and waste materials, if not otherwise included in General Conditions.

3. Payments made by the Construction Manager to Subcontractors and their vendors or suppliers for the subcontract work in accordance with the Construction Documents and the requirements of the subcontracts with the Subcontractors, vendors, or suppliers.

4. Payments earned by the Construction Manager for self-performed subcontract work, other than General Conditions work, in accordance with the Construction Documents and the terms of this Contract and approved by the Town.

5. Fees and expenses for design services procured by the Construction Manager related to necessary modifications to the Construction Documents.

6. Intellectual property royalties and licenses for items specifically required by the Construction Documents which are, or will be, incorporated into the Work.

7. All costs associated with establishing, equipping, operating, maintaining, and demobilizing the field office at the Site.

8. All water, power, and fuel costs necessary for the Work.

9. Costs incurred due to an emergency affecting the safety of persons and/or property, excluding such costs related to the negligence or willful acts of the Construction Manager or any person or entity for whom the Construction Manager is responsible.

10. All costs directly incurred in the performance of the Work or in connection with the Project, and not included in the Contract Price as set forth in Article 7 below, which are reasonably inferable from the Contract Documents as necessary to produce the intended results, subject to the maximum price limitation established by the respective GMP.

11. Costs related to the Construction Manager's safety program related to the Project.

C. Exclusions from General Conditions Costs and Cost of the Work. The General Conditions Costs and Cost of the Work shall not include the following:

1. Any professional fees paid by the Town to the Project Designers or other consultants retained directly by the Town.

2. Any costs paid directly by the Town to Subcontractors or suppliers retained directly by the Town and outside the scope of all GMPs.

3. Any additional service costs as defined herein.

4. Any other costs not within the control of the Construction Manager or identified as being not within any GMP.

5. Any fees paid to the Construction Manager except those fees that may be paid to the Construction Manager for Preconstruction Phase Services above.

D. Construction Manager's Contingency.

1. The GMP Proposal may include an amount (the "Construction Manager's Contingency") to be used to fund increases in the Direct Construction Costs of the Project identified through the refinement, development, and completion of the Construction Documents or procurement of the Work. The Construction Manager's Contingency shall be negotiated between the Parties and it shall reflect the risk inherent in the state of completion of the Construction Documents at the time the GMP Proposal is submitted.

2. Any re-allocation of funds from the Construction Manager's Contingency to cover increases in the Direct Construction Costs must be approved by the Town in advance and in writing, which approval shall not be unreasonably withheld. In written requests to use the Construction Manager's Contingency, the Construction Manager shall provide detailed documentation of the scope of Work affected and the basis for any increases in costs resulting in the need to use Construction Manager's Contingency funds.

3. As the Construction Documents are finalized and the buyout of the Work progresses, the Construction Manager's Contingency amount shall be reduced by mutual agreement

of the Town and the Construction Manager. The buyout shall occur within the first 20% of the construction duration for each Notice to Proceed issued for construction. Should savings occur after the buyout stage, such savings, and related reductions to the Construction Manager's Contingency amount, will be retained by the Town.

E. Calculation Methods; Audits.

1. The Town and the Construction Manager understand and agree that any GMP agreed to under the Project will be administered as a measured quantity/unit price guaranteed not-to-exceed contract. This not-to-exceed amount is defined by the individual work items and their associated competitively bid and/or negotiated unit prices plus negotiated on-site general conditions, fee structures, markups, and the Construction Manager's Contingency. Final contract price/payout will be based on field measured final completed quantities, approved unit prices, and approved Minor Adjustments and Change Orders. Furthermore, the term "actual cost" is defined as the final negotiated unit prices (costs) mutually agreed to by the Town and the Construction Manager. The Town and the Construction Manager understand and agree that individually priced, "self-performed" items may include the cost associated with the risk of delivering the work.

2. The Town and the Construction Manager understand and agree that the Town, its authorized representatives, and/or the appropriate federal or state agencies may audit the Construction Manager's records to verify the accuracy and appropriateness of all pricing data, including data used to negotiate any GMP, and including, but not limited to, self-performed items, qualifications-only selected Subcontractor items, Change Orders, use of allowance funds, and use of Construction Manager's Contingency funds. The Town and its authorized representatives shall have access, during normal working hours, to all necessary Construction Manager and Subcontractor facilities, and shall be provided adequate and appropriate workspace, to conduct audits in compliance with the provisions of this Subsection. The Town shall give the Construction Manager or Subcontractor reasonable advance notice of intended audits.

F. Discounts. All discounts for prompt payment shall accrue to the Town to the extent such payments are made directly by the Town. To the extent payments are made with funds of the Construction Manager, all cash discounts shall accrue to the Construction Manager. All trade discounts, rebates, and refunds, and all returns from sale of surplus materials and equipment, shall be credited to the Cost of the Work.

3.4 Construction Fee. The "Construction Fee" is the maximum amount payable to the Construction Manager for any cost or profit expectation incurred in the performance of the Work that is not specifically identified as being eligible for reimbursement by the Town elsewhere in this Agreement. The Construction Fee shall not exceed 7.0% of the total applicable GMP amount, excluding Construction Manager's Contingency. The Construction Fee includes, but is not limited to, the following items:

A. Profit. All profit, profit expectations, and costs associated with profit sharing plans such as personnel bonuses, incentives, and rewards; company stock options; or any other like expenses of the Construction Manager, which shall not exceed 5% of the total applicable GMP amount, excluding Construction Manager's Contingency.

B. Salaries. Salaries of the Construction Manager's officers, project manager(s), estimators, schedulers, and all other employees not stationed at the Project site and performing services directly related to the Project.

C. Overhead. Any and all overhead, labor, or general expenses of any kind unless specifically allowed under General Conditions. These costs include, but are not limited to: costs for the

purchase, lease, rental, allowance, or maintenance of vehicles, radios/communication equipment, jobsite computers, copiers, and other business equipment, specialized telephone systems, and cellular/digital phones; home office operations and support staff (i.e. accounting, purchasing); trade or professional association dues; costs for hiring and/or relocation of any of the Construction Manager's personnel; and travel, per diem, and subsistence expense of the Construction Manager, its officers, or employees except as specifically allowed under General Conditions, which shall not exceed 5% of the total applicable GMP amount, excluding Construction Manager's Contingency.

D. Financial Costs. Any financial costs incurred by the Construction Manager including the cost of capital or interest on capital, regardless of whether it is related to the Project, and costs associated with construction warranty reserves.

E. Professional Fees. Any legal, accounting, professional, or other similar costs incurred by the Construction Manager, including costs incurred in connection with the prosecution or defense any dispute, mediation, arbitration, litigation, or other such proceeding related to or arising from the Project.

F. Taxes. Any Federal and/or State income and franchise taxes paid by the Construction Manager. Any levies, assessments, fines, penalties, sanctions, or other impositions made by any governmental body against the Construction Manager.

G. Damages and Related Costs. Any cost arising out of a breach of this Agreement or the fault, failure, or negligence of the Construction Manager, its Subcontractors, or any person or entity for whom they may be liable. These costs include, without limitation: costs to remedy defective, rejected, or nonconforming work, materials, or equipment; costs due to failure to coordinate the Work or meet CPM schedule milestones; costs arising from the Construction Manager's contractual indemnification obligations; liquidated or actual damages imposed by the Town for failure to complete the Work within the Contract Time; costs due to the bankruptcy or insolvency of any Subcontractor; and damage or losses to persons or property.

H. Insurance Deductibles. The cost of any and all insurance deductibles payable by the Construction Manager and costs due to the failure of the Construction Manager or any Subcontractor to procure and maintain insurance as and to the extent required by the Contract Documents.

I. Costs in Excess of GMP. Any and all costs that would cause the Guaranteed Maximum Price to be exceeded.

J. Other Unidentified Costs. Any and all costs not specifically identified as an element of the Direct Construction Costs.

3.5 Competitive Bidding and Sub-Bids.

A. Subcontractor Selection. The Construction Manager will develop Subcontractor interest, submit the names of a minimum of three qualified Subcontractors for each trade in the Project for approval by the Town, and solicit bids for the various Work categories. If there are not three qualified Subcontractors available for a specific trade, the Construction Manager will request approval by the Town's Project Manager to submit less than three names. No change in the Town approved Subcontractors will be allowed without prior, written approval by the Town.

B. Town Objections. If, prior to receipt of sub-bids or prior to award of Subcontractors or suppliers, the Town objects to any nominated Subcontractor or supplier or to any self-performed Work for good reason, the Construction Manager will nominate a substitute Subcontractor or

supplier, preferably if such option is still available, from those who submitted sub-bids for the Work affected. Once such substitute Subcontractors and suppliers are consented to by the Town, the Construction Manager's proposed GMP for the Work or portion thereof will be correspondingly adjusted to reflect any higher or lower costs from any such substitution.

C. Documents; Pre-bid Conference. The Construction Manager will distribute Construction Documents, and when appropriate, conduct a pre-bid conference with prospective Subcontractors.

D. Subcontractor Bid Submittal. The Construction Manager, at the required time, will close the bidding and collect all sub-bids received within the prescribed deadline for receipt of sub-bids. Promptly, after the closing of sub-bids, the Construction Manager will (in the presence of the Town's Project Manager and Project Designers) open and read all properly and timely submitted sub-bids. The Construction Manager will submit a completed Sub-Bid tabulation form to the Town's Project Manager within a reasonable time after the closing of the sub-bid opening proceedings.

E. Subcontractor Bid Evaluation. The Construction Manager, upon opening of sub-bids will evaluate them including, but not limited to, the evaluation of lower tier Subcontractors, Subcontractor qualification submittals, and prospective suppliers selected by each apparent low sub-bidder. The Construction Manager will resolve any sub-bid withdrawal, protest, or disqualification in connection with the award at no increase in the Cost of the Work.

F. Notice of Intent for Subcontracts. Within 15 Days after sub-bid opening, the Construction Manager will deliver to the Town's Project Manager a written notice of intent to award subcontracts, itemizing the Subcontractors and suppliers selected by the Construction Manager. The notice of intent to award subcontracts will detail (1) for each Subcontract the amount of the sub-bid and the corresponding Subcontractor or supplier, (2) the sum of sub-bids received for all intended Subcontracts, and (3) trade work that the Construction Manager intends to self-perform, if any.

G. Pre-award Conference. Promptly after receipt of the notice of intent to award subcontracts, the Town will conduct a pre-award conference with the Construction Manager and other Project team members. At the pre-award conference, the Construction Manager will (1) review the nominated slate of Subcontractors and suppliers and discuss any concerns with or objections that the Town has to any nominated Subcontractor or supplier; (2) discuss any concerns the Town has to any proposed self-performed Work; (3) review the Construction Manager's proposed Contract Price for the Work during the construction phase; (4) resolve possible time frames for the commencement date of the Contract Time for the construction phase Work; (5) schedule the preconstruction conference; and (6) discuss other matters as necessary.

3.6 Submittal Requirements. The Construction Manager shall include with each GMP Proposal a written statement of its basis, which shall include:

A. Detailed Scope. A detailed scope of services related to the respective GMP Proposal, including a breakdown of the GMP as it relates to the applicable part of the overall Scope.

B. Documents. A list of the Construction Documents, including all addenda that were used in preparation of the respective GMP Proposal.

C. Allowances. A list of allowances and a statement of their basis.

D. Assumptions. A list of the assumptions and clarifications made by the Construction Manager in the preparation of the respective GMP Proposal to supplement the information contained in the Construction Documents.

E. Substantial Completion. The Substantial Completion date, if applicable, upon which the respective GMP Proposal is based and the Master Schedule for the Work upon which the respective Substantial Completion date is based, including a clear statement of the number of rain delay days included within the Master Schedule.

F. Alternate Prices. A schedule of applicable alternate prices.

G. Unit Prices. A schedule of applicable unit prices.

H. Additional Services. A statement of Additional Services included, if any.

I. Acceptance Period. The time limit for acceptance of the GMP Proposal.

3.7 GMP Proposal Review. The Construction Manager shall meet with the Town and the Project Designers to review each GMP Proposal. In the event that the Town discovers any inconsistencies or inaccuracies in the information presented, the Town shall give written notice to the Construction Manager, who shall make appropriate adjustments to the GMP, its basis or both.

A. Independent Estimate. Upon receipt of any GMP Proposal from the Construction Manager, the Town may submit the same documents that were used by Construction Manager in developing its GMP to an independent third party or to the Project Designers for review and verification. The third party or Project Designers will develop an independent estimate of the Cost of the Work and review the Master Schedule for the associated scope of the GMP Proposals.

B. GMP Exceeding Independent Estimate. If the Construction Manager's GMP Proposal is greater than the independent third party or Project Designers' estimate, the Town may require the Construction Manager to reconfirm its GMP Proposal. The Construction Manager will accept the independent third party's or Project Designer's estimate for the Cost of the Work as part of its GMP or present a written request, within seven Days of receiving the estimates, to the Town identifying, explaining, and substantiating the differences. The Construction Manager may be requested to, or at its own discretion may submit a revised GMP Proposal for consideration by the Town. At that time the Town may do one of the following:

1. Accept the Construction Manager's original or revised GMP Proposal, if within the Town's budget, without comment.

2. Accept the Construction Manager's original or revised GMP Proposal that exceeds the Town's budget and indicate in writing to the Construction Manager that the Project budget has been increased to fund the differences.

3. Reject the Construction Manager's original or revised GMP Proposal because it exceeds either or both the Town's budget and the independent third party's or Project Designers' estimate, in which event, the Town may terminate this Agreement.

C. Design Changes During Negotiation. If, during the review and negotiation of GMP Proposals, design changes are required, the Town will authorize and cause the Project Designers to revise the Construction Documents to the extent necessary to reflect the agreed-upon assumptions and clarifications contained in the final approved GMP Proposal. Such revised Construction Documents will be

furnished to the Construction Manager. The Construction Manager will promptly notify the Project Designers and the Town's Project Manager if any such revised Construction Documents are inconsistent with the agreed-upon assumptions and clarifications.

3.8 No Prior Costs. Prior to the Town's acceptance of a GMP Proposal, the Construction Manager shall not incur any cost to be reimbursed as part of the Cost of the Work related to such GMP Proposal, except as provided in this Agreement or as the Town may specifically authorize in writing.

3.9 Acceptance; Effect. Upon acceptance by the Town of each GMP Proposal, the GMP contained therein and its basis shall be set forth in the applicable GMP Amendment. Once established, the GMP and the corresponding Substantial Completion date shall be subject to modification only as provided in Articles 6 and 8 below. The Town's approval of the GMP Amendment will include the amount of the Town's Contingency. The amount of the Town's Contingency will be set solely by the Town and will be in addition to the Project costs included in the Construction Manager's GMP Proposals. Use and management of the Town's Contingency is at the Town's sole direction.

3.10 GMP Effective Date. Each GMP Proposal shall not become a part of this Agreement until the Town accepts such GMP Proposal in writing by executing the applicable GMP Amendment, on or before the date specified in each such GMP Proposal for such acceptance.

3.11 Failure to Agree Upon GMP. If the Town and the Construction Manager do not agree to any provisions of the GMP Proposal, including the designated Default Neutral Arbitrator, all references in this Agreement to the GMP shall not be applicable, and the Parties shall proceed on the basis of reimbursement as provided in Article 7 below.

ARTICLE 4 CONSTRUCTION SERVICES

4.1 Control of Construction. After the date any Amendment to this Agreement is executed by the Town and the Construction Manager approving a GMP Proposal, the Construction Manager shall become responsible for the means, methods, sequences, and procedures used in the construction of the portion of the Project related to such GMP Proposal and shall proceed with the Construction Manager's Construction Services related to the GMP Proposal under this Agreement.

4.2 Completeness and Accuracy of Construction Manager Work. The Construction Manager will be responsible for the completeness and accuracy of its reviews, reports, supporting data, and other preconstruction deliverables prepared or compiled pursuant to its obligations under this Agreement and will at its sole expense correct its work or deliverables. The fact that the Town has accepted or approved the Construction Manager's work or deliverables will in no way relieve the Construction Manager of any of its responsibilities under this Agreement, nor does this requirement to correct the work or deliverable constitute a waiver of any claims or damages otherwise available by law or contract to the Town.

4.3 Alteration in Character of Work. In the event an alteration or modification in the character of work or deliverable materially increases or decreases the scope of service, cost of performance, or Master Schedule as determined by the Town, the Work or deliverable will nonetheless be performed as directed by the Town. However, before any altered or modified work begins, a Minor Adjustment or Change Order must be approved and executed by the Town and the Construction Manager to address such change. Such Minor Adjustment or Change Order will not be effective until approved by the Town. Additions to, modifications to, or deletions from the Project provided herein may be made, and the compensation to be paid to the Construction Manager may be adjusted accordingly, only by mutual agreement of the Parties. No claim for extra work done or materials furnished by the Construction Manager will be allowed by the Town except as provided herein, nor will the Construction Manager do any work or furnish any material(s)

not covered by this Agreement unless such work or material is first authorized in writing by the Town. Work or material(s) furnished by the Construction Manager without such prior written authorization will be the Construction Manager's sole jeopardy, cost, and expense, and the Construction Manager hereby agrees that, without prior written authorization, no claim for compensation for such work or materials furnished will be made.

4.4 Construction Phase General Services. The Construction Manager 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 Town. All Work will be performed in a good and workmanlike and substantial manner according to the standards set forth in Subsection 1.6(A) above. The Work shall be to the satisfaction of the Town and strictly pursuant to and in conformity with the Project's Contract Documents, as modified and agreed to by the Town. The Construction Manager's Representative shall be reasonably available to the Town and shall have the necessary expertise and experience required to supervise the Work. The Construction Manager's Representative shall communicate regularly with the Town, but not less than once each week, and shall be vested with the authority to act on behalf of the Construction Manager. The Construction Manager's Representative may be replaced only with the written consent of the Town.

A. Government Approvals and Permits.

1. The Construction Manager shall be primarily responsible to obtain all necessary permits, approvals, and licenses required for the prosecution of the Work from any government or quasi-government entity having jurisdiction over the Project. The Construction Manager is specifically reminded of the need to obtain the necessary environmental permits or file the necessary environmental notices.

2. Copies of the required permits and notices must be provided to the Town 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 Town's Representative. This provision does not constitute an assumption by the Town of an obligation of any kind for violation of said permit or notice requirements.

3. The Town shall be responsible for permit(s) and fees for building and demolition permits. The Town will also pay review fees for grading and drainage, water, sewer, and landscaping. The Town shall also pay for utility design fees for permanent services.

4. The Construction Manager shall be responsible for all other permits and review fees not specifically listed in Subsection 4.4(A)(1) above.

5. The Construction Manager is responsible for all water bills on the Project meters until Substantial Completion of the Project. Arrangements for construction water are the Construction Manager's responsibility.

B. Preconstruction Activities.

1. Prior to the commencement of any Work, the Town's Representative will schedule a preconstruction conference. The purpose of this conference is to establish a working relationship between the Construction Manager, utility firms, various Town agencies, and other entities as may be appropriate or beneficial. The agenda will include critical elements of the Work and Master 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 in the

course of construction. Minimum attendance at the preconstruction conference shall be the Construction Manager's Representative, the job superintendent, the Construction Manager's safety officer, and the individuals deemed necessary by the Town.

2. The Notice to Proceed date will be set by the Town. At or after the preconstruction conference and upon delivery of the required bonds and insurance in a Town-approved format or at such other time as the Town may elect, a Notice to Proceed letter will be issued confirming the construction start date, the Contract Time, and the Substantial Completion date. Failure by the Construction Manager to provide the properly executed bond and insurance forms in a timely manner may delay the construction start date; however, it will not alter the proposed Substantial Completion date nor be a basis for any time extension request or other claims.

3. The Construction Manager shall update the Schedule of Values based on the categories used in the buyout of the Work but not greater than the approved GMP; the update shall identify the Construction Manager's Contingency. The Schedule of Values will subdivide the Work into all items comprising the Work.

C. Project Management.

1. The Construction Manager shall refine the Construction Management Plan for the Project. In refining the Construction Management Plan, the Construction Manager shall consider the Town schedule, cost, and design requirements for the Project. The Construction Manager shall then develop various alternatives for the sequencing and management of the Project and shall make recommendations to the Town. The Construction Management Plan shall also include a description of the various proposal packages recommended for the Project. The Construction Management Plan shall be presented to the Town for acceptance.

2. The Construction Manager shall conduct periodic Project meetings attended by the Town's Representative, the Project Designers, and other necessary parties. Such meetings shall serve as a forum for the exchange of information concerning the Project and the view of construction progress. The Construction Manager shall prepare and distribute minutes of these meetings to the Town's Representative, the Project Designers, and others in attendance.

3. The Construction Manager shall coordinate transmittal of documents to regulatory agencies for review and shall advise the Town of potential problems in completing such reviews.

4. The Construction Manager shall assist the Town in public relations activities and shall prepare information for and attend public meetings regarding the Project.

D. Reports.

1. The Construction Manager shall prepare and distribute design phase change reports monthly to the Town that shall list all Town-approved Minor Adjustments and Change Orders as of the date of the report and shall state the effect of the Minor Adjustments and Change Orders on the Project budget and the Master Schedule.

2. The Construction Manager shall prepare and distribute schedule maintenance reports monthly to the Town comparing the actual and scheduled dates for Subcontractors' contract awards and completion of each such Subcontractor's portion of the Project.

3. The Construction Manager shall prepare and distribute the Project cost reports monthly to the Town specifying actual award prices and construction costs for each of the individually awarded components of the Project as compared to the Project budget.

4. The Construction Manager shall prepare and distribute cash flow reports monthly to the Town specifying actual cash flow for each of the individually awarded components of the Project as compared to the projected cash flow.

5. The requirements for filing reports set forth in this Subsection 4.4(D) shall not be deemed to meet the requirements for requests for extensions of time or requests for Minor Adjustments and Change Orders as set forth in Article 6 and Article 8 below.

4.5 Work Management.

A. Construction Manager Resources. Unless otherwise provided in the Contract Documents to be the responsibility of the Town or a separate contractor, the Construction Manager 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 the Construction Manager to complete the Work according to the Contract Documents. The Construction Manager shall provide and maintain a management team on the Site to provide contract administration. The Construction Manager shall establish and implement coordination and communication procedures among the Construction Manager, the Town, the Project Designers, and Subcontractors.

B. Means, Methods and Techniques. The Construction Manager shall perform all construction activities efficiently and with the requisite expertise, skill, and competence to satisfy the requirements of the Contract Documents. The Construction Manager shall at all times exercise complete and exclusive control over the means, methods, sequences, and techniques of construction.

C. Supervisor Presence. The Construction Manager's Representative or the Construction Manager's Superintendent shall be present at the Site at all times that construction activities are taking place.

1. All elements of the Work shall be under the direct supervision of a foreman or his designated representative on the Site who shall have the authority to take actions required to properly carry out that particular element of the Work.

2. In the event of noncompliance with this Subsection, the Town may require the Construction Manager to stop or suspend the Work in whole or in part.

D. Manufacturer Requirements. Where the Contract Documents require that a particular product be installed and/or applied by an applicator approved by the manufacturer, it is the Construction Manager's responsibility to ensure the Subcontractor employed for such work is approved by the manufacturer.

E. Measurements. Before ordering materials or doing work, the Construction Manager and each Subcontractor shall verify measurements at the Site and shall be responsible for the accuracy of such measurements. No extra charge or compensation will be allowed because of differences between actual dimensions and the dimensions indicated on the plans; differences shall be submitted to the Town for resolution before proceeding with the Work.

F. Field Measurements and Conditions. The Construction Manager shall take field measurements and verify field conditions and shall carefully compare such field measurements and

conditions and other information known to the Construction Manager with the Construction Documents before commencing activities. Errors, inconsistencies, or omissions discovered shall be reported to the Town immediately.

G. Grades, Lines, Levels, and Bench Marks. The Construction Manager shall establish and maintain all building and construction grades, lines, levels, and bench marks, 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.

H. Proper Employee Conduct. Any person employed by the Construction Manager or any Subcontractor who, in the opinion of the Town, does not perform his work in a proper, skillful, and safe manner, or is intemperate or disorderly, or is otherwise found to be inappropriate due to the setting of the Site, shall, at the written request of the Town, be removed from the Site by the Construction Manager or Subcontractor employing such person, and the person shall not be employed again in any portion of Work without the written approval of the Town. The Construction Manager or Subcontractor shall hold the Town harmless from damages or claims which may occur in the enforcement of this Subsection.

I. Coordination of Activities. The Construction Manager shall coordinate the activities of all Subcontractors. If the Town performs other work on the Project or at the Site with separate contractors under the Town's control, the Construction Manager 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.

J. Change Processing. The Construction Manager shall establish and implement procedures for expediting and processing requests for information, Shop Drawings, material and equipment sample submittals, contract schedule adjustments, Minor Adjustments, Change Orders, substitutes, payment requests, and the maintenance of logs. The Construction Manager shall maintain daily job reports. The Construction Manager shall be the party to whom requests for information, submittals, Subcontractor schedule adjustments, substitutions, Minor Adjustment requests, Change Order requests, and payment requests shall be submitted.

K. Subcontractor Meetings. Periodically, the Construction Manager shall conduct meetings at the Site with each Subcontractor. The Construction Manager shall conduct coordination meetings with all Subcontractors. The Construction Manager shall record, transcribe, and distribute minutes to all attendees, the Town, and the Project Designers.

L. Coordination of Inspections and Testing. Technical inspection and testing provided by the Project Designers or others who are not Subcontractors shall be coordinated with the Construction Manager. The Construction Manager shall be provided a copy of all inspection and testing reports on or before the next business day after the inspection or test. The Construction Manager is not responsible for providing, nor does the Construction Manager control, the actual performance of such technical inspection and testing. The Construction Manager is performing a coordination function and is not acting in a manner so as to assume responsibility or liability, in whole or in part, for all or any part of such inspection and testing.

M. Self-Performed Work. The Construction Manager shall perform, with its own forces, construction Work that amounts to not less than 45% of the total Contract Price for construction of the Project. For the purposes of this paragraph, the total Contract Price for construction of the Project (1) includes the total of the GMP amounts as agreed upon by the Construction Manager and the Town, and (2) does not include the cost of preconstruction services, design services, or any other related services, or the costs to procure any right-of-way or other costs of condemnation.

N. No Subcontractor Reliance. Construction Manager shall ensure that each Subcontractor (1) has inspected the Site and has thoroughly reviewed this Agreement as the same may be revised by the Town, and is not relying on any opinions or representations of the Town, (2) agrees to perform and complete the Work in strict accordance with this Agreement and under the Construction Manager's direction, (3) agrees that any exclusions of any Work must be approved in writing by the Construction Manager prior to acceptance of any agreement between the Construction Manager and a Subcontractor or same shall not be excluded hereunder, (4) is responsible for all safety precautions and programs and shall provide all protection and necessary supervision to implement said precautions and programs as set forth in Section 4.13 below, (5) shall provide all competent supervision necessary to execute all Work and any work incidental thereto in a thorough, first-class, workmanlike manner, and (6) has acknowledged that it is Subcontractor's responsibility that all of the Work and any work incidental thereto conforms to, and is performed in accordance with, Applicable Law.

O. Subcontractor Change Request. The Construction Manager shall review the contents of a request for changes to the subcontract time or price submitted by a Subcontractor, assemble information concerning the request, and endeavor to determine the cause of the requests. In instances where the Construction Manager's analysis reveals that the request is valid, the Construction Manager shall prepare a detailed report to the Town for approval in accordance with Articles 6 and 8 below, as applicable. The Construction Manager shall also prepare and timely deliver a detailed report to the Town of other such requests and requests found to be invalid and timely inform the Subcontractor of any such determination. The Construction Manager shall prepare the necessary change documents for signature by the Subcontractor.

P. Quality Control. The Construction Manager shall establish and implement a program to monitor the quality of construction by itself and by Subcontractors. The purpose of the program shall be to protect the Town against defects and deficiencies in the Work of the Construction Manager or the Subcontractors. The Construction Manager shall reject the Work and transmit to the Subcontractor a notice of nonconforming work when the Construction Manager believes the Work does not conform to the requirements of the Contract Documents. Except for minor variations as stated herein, the Construction Manager is not authorized as part of this service to change, enlarge, relax, alter, or release any requirement of the Contract Documents or to approve or accept any portion of the Work not performed in accordance with the Contract Documents.

Q. Subcontractor Document Request. The Construction Manager shall coordinate and expedite submittals of information from the Subcontractors for record drawings and specification preparations and shall coordinate and expedite the transmittal of Project Record Documents to the Town.

R. Traffic Control. All traffic affected by the Work under this Agreement shall be regulated in accordance with the latest edition of the United States Department of Transportation *Manual on Uniform Traffic Control Devices* (the "MUTCD"), as supplemented and modified by the *Arizona Supplement*, published by the Arizona Department of Transportation ("Arizona Supplement"), and the *City of Phoenix Traffic Barricade Manual* (the "Barricade Manual"), which are incorporated herein by reference (collectively referred to herein as the "Traffic Control Requirements"). At the time of the preconstruction conference, each Subcontractor shall designate an employee who is well qualified and experienced in construction traffic control and safety to be responsible for implementing, monitoring, and altering traffic control measures, as necessary. At the same time, the Construction Manager will designate a representative who will be responsible to see that all traffic control and any alterations are implemented and monitored to the extent that traffic is carried through the Work area in an effective manner and that motorists, pedestrians, bicyclists, and workers are protected from hazard and accidents. The Construction Manager shall ensure that Subcontractors adhere to the following:

1. All traffic control devices and advance warning signs (such as REDUCE SPEED AHEAD, LOOSE GRAVEL, 25 MPH SPEED LIMIT, and DO NOT PASS) required for the Work under this Agreement shall be placed in accordance with the Traffic Control Requirements.

2. The Subcontractor shall provide, erect, and maintain all necessary flashing arrow boards, barricades, suitable and sufficient warning lights, signals, and signs, and shall take all necessary precautions for the protection of the Work and safety of the public. The Subcontractor shall provide, erect, and maintain acceptable and adequate detour signs at all closures and along detour routes.

3. All barricades and obstructions shall be illuminated at night, and all safety lights shall be kept burning from sunset until sunrise. All barricades and signs used by the Subcontractor shall conform to the standard design generally accepted for such purposes, and payment for all such services and materials shall be considered as included in the other pay items of the Agreement.

4. The Subcontractor shall ensure that all existing traffic signs are erect, clean, and in full view of the intended traffic at all times. Street name signs at major street intersections shall be maintained erect at all times. If these signs should interfere with construction, the Subcontractor shall notify the Town at least 48 hours in advance for Town personnel to temporarily relocate said signs. The Town will direct the Subcontractor as to the correct positions to re-set all traffic and street name signs to permanent locations when notified by the Subcontractor that construction is complete.

5. When construction activities or traffic hazards at the Site require the use of flagmen, it shall be the Subcontractor's responsibility to provide trained flagmen to direct traffic safely.

6. Manual traffic control shall be in conformity with the Traffic Control Requirements. Off-duty police officers must be scheduled through the Chino Valley Valley Police Department or Yavapai County Sheriff's Department. The Town will reimburse the actual, documented cost of the off-duty police officers (no markups allowed). The Subcontractor will be required to present an overall estimate of off-duty officer hours required with the submission of its construction schedule. In the event the Subcontractor fails to prosecute the work in a timely manner, the Town shall notify the Subcontractor and may deny reimbursement for the off-duty officer(s).

7. The assembly and turnarounds of the Subcontractor's equipment shall be accomplished using adjacent local streets when possible.

8. Equipment used and/or directed by the Subcontractor shall travel with traffic at all times. Supply trucks shall travel with traffic except when being spotted. The Subcontractor shall provide a flagman or off-duty, uniformed law enforcement officer to assist with spotting.

9. During construction, it may be necessary to alter traffic control. Any such alterations shall be in accordance with the Traffic Control Requirements.

10. No street within the Project area may be closed to through traffic or to local emergency traffic without the Town's prior written approval. The Town may give written approval at its sole discretion and only if sufficient time exists to allow for notification of the public

at least two Days in advance of such closing. Partial closure of streets within the Project shall be done in strict conformity with the Town's written directions.

11. Caution should be used when excavating near intersections with traffic signal underground cable. The Subcontractor shall notify the Town 24 hours in advance of any work at such intersections. The Subcontractor shall install and maintain temporary overhead traffic signal cable as specified by the Town when underground conduit is to be severed by excavations at intersections. The Subcontractor shall provide an off-duty uniformed police officer in accordance with Subsection 4.5(R)(6) above to direct traffic while the traffic signal is turned off and the wiring is transferred. All damaged or modified traffic signal overhead and underground items shall be repaired and restored to the Town's satisfaction. Magnetic detector loops shall, under no circumstances, be spliced.

12. The Subcontractor shall accommodate local access to adjacent properties in accordance with the specification set forth below.

13. Where crossings of existing pavement occur, no open trenches shall be permitted overnight, but plating may be permitted if conditions allow, as determined by the Town or its authorized representative in his sole discretion. If plates cannot be used, crossings shall either be backfilled or the Subcontractor shall provide a detour.

4.6 Control of the Work Site.

A. Debris Removal. Throughout all phases of construction, including suspension of Work, the Construction Manager shall keep the Site reasonably free from debris, trash, and construction wastes to permit the Construction Manager to perform its Construction Services efficiently, safely, and without interfering with the use of adjacent land areas. Upon Substantial Completion of the Work, or an agreed-upon portion of the Work, the Construction Manager shall remove all debris, trash, construction wastes, materials, equipment, machinery, and tools arising from the Work or applicable portions thereof to permit the Town to occupy the Project or an agreed upon portion of the Project for its intended use.

B. Dust Control. The Construction Manager shall implement dust control measures in accordance with MAG Specifications, Subsection 104.1.4, and in accordance with the requirements of applicable air pollution control rules and regulations.

C. Accessibility. The Construction Manager shall maintain "ADA" and "ANSI" accessibility requirements during construction activities in an occupied building or facility. ADA 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. The Construction Manager shall be responsible for the coordination of all work to minimize disruption to building occupants and facilities.

D. Material and Equipment Storage. Only materials and equipment that are to be used directly in the Work shall be brought to and stored on the Site by the Construction Manager. When equipment or materials are no longer required for the Work, each shall be removed promptly from the Site.

E. Protection of Site. Protection of the Work, the Site, and construction materials and equipment stored at the Site from weather, theft, damage, and all other adverse conditions is solely the responsibility of the Construction Manager.

4.7 Time Management.

A. Master Schedule Updates. The Construction Manager shall, not less than monthly, adjust and update the Master Schedule and distribute copies to the Town and the Project Designers. All adjustments to the Master Schedule must be (1) made for the benefit of the Project, and (2) acceptable to the Town; provided, however, that such adjustments or updates shall not extend the time for performance of the Work beyond the Substantial Completion date unless such extension is requested by the Construction Manager and approved by the Town in accordance with Article 6 below.

B. Subcontractor Schedule Verification. The Construction Manager shall review each Subcontractor's construction schedule and shall verify that the schedule is prepared in accordance with the requirements of the Contract Documents and that it establishes completion dates that comply with the requirements of the Master Schedule.

C. Subcontractor Progress Monitoring. The Construction Manager shall (1) review the progress of construction of each Subcontractor on a monthly basis, (2) evaluate the percentage completion of each construction activity as indicated in the Subcontractor's construction schedule, and (3) review such percentages with the Subcontractor. This evaluation shall serve as data for input to the periodic construction schedule report that the Construction Manager shall prepare and distribute to the appropriate Subcontractor, the Town's Representatives, and the Project Designers. The report shall serve as the basis for (1) determining the actual progress compared to scheduled progress, and (2) determining the progress payment due to the Subcontractor. The Construction Manager shall determine and implement alternative courses of action that may be necessary to achieve contract compliance by the Subcontractor.

D. Change Evaluation. The Construction Manager shall, prior to the issuance of a Minor Adjustment or Change Order, determine the effect on the Master Schedule of time extensions requested by a Subcontractor. The Construction Manager may require a Subcontractor to prepare and submit a recovery schedule in the event the Subcontractor fails to meet the Master Schedule.

E. Minor Schedule Revisions. The Master Schedule shall be revised as required by conditions and progress of the Work, but such revisions shall not relieve the Construction Manager of its obligations to complete the Work within the Contract Time, as such dates may be adjusted in accordance with the Contract Documents.

F. Payment Requests. An updated Master Schedule shall be submitted monthly to the Town as part of the Payment Request.

1. The Construction Manager shall provide the Town with a monthly status report for the Master Schedule detailing the progress of the Work, including (a) if the Work is proceeding according to schedule, (b) any discrepancies, conflicts, or ambiguities found to exist in the Contract Documents that require resolution, and (c) other items that require resolution so as not to jeopardize ability to complete the Work as presented in the applicable GMP and within the Contract Time.

2. With each schedule submittal the Construction Manager shall include a transmittal letter including the following:

a. Description of problem tasks (referenced to field instructions and requests for information), as appropriate.

b. Current and anticipated delays including:

- i. Cause of the delay.
 - ii. Corrective action and schedule adjustments to correct the delay.
 - iii. Known or potential impact of the delay on other activities, milestones, and the Substantial Completion date.
- c. Changes in construction sequence.
- d. Pending items and status thereof including but not limited to:
 - i. Time Extension requests.
 - ii. Other items.
- e. Substantial Completion date status:
 - i. If ahead of schedule, the number of Days ahead.
 - ii. If behind schedule, the number of Days behind.
- f. Other project or scheduling concerns.

G. Town Review. The Town's review of and response to the Master Schedule is only for general conformance with the scheduling requirements of the Contract Documents. The review shall not (1) relieve the Construction Manager from (a) compliance with the requirements of the Contract Documents, or (b) the time extension request process set forth in Article 6 below; or (2) be construed as relieving the Construction Manager of its complete and exclusive control over the means, methods, sequences, and techniques for executing the Work.

H. CPM Diagram. The updated Master Schedule shall include a CPM diagram schedule that shows the sequence of activities, the interdependence of each activity, and indicate the Critical Path.

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 shall be presented in a time-scaled graphical format for the Project as a whole.

2. The CPM diagram schedule shall indicate all relationships between activities.

3. The activities making up the Master Schedule shall be in sufficient detail to ensure 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. The CPM diagram schedule shall be based upon activities that coincide with the Schedule of Values.

5. The CPM diagram schedule shall show all submittals associated with each Work activity and the review time for each submittal.

6. The schedule shall show milestones, including milestones for Town-furnished information, and shall include activities for Town-furnished equipment and furniture when those activities are interrelated with the Construction Manager's activities.

7. The schedule shall include a Critical Path activity that reflects anticipated rain and weather delay during the performance of this 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 information provided by the National Weather Service or other source approved in writing by the Town.

I. Occupancy Consideration. The Master Schedule shall consider the Town's occupancy requirements showing portions of the Project having occupancy priority.

J. Float Time. Float time shall be as prescribed below:

1. The total Float within the overall Master Schedule is not for the exclusive use of either the Town or the Construction Manager, but is jointly owned by both and is a resource available to and shared by both Parties as needed to meet contract milestones and the Project completion dates.

2. The Construction Manager 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. Float time within the schedule is jointly owned; no time extensions will be considered or granted, nor delay damages considered or paid until a delay occurs that extends the Work beyond the Substantial Completion date.

3. Town-caused delays on the Project may be offset by Town-caused time savings (i.e., Critical Path submittals returned in less time than anticipated by the Master Schedule; approval of substitution requests and credit changes which result in savings of time to the Construction Manager). In such an event, the Construction Manager shall not be entitled to have considered or receive a time extension or delay damages until all Town-caused time savings are exceeded, and the Substantial Completion date is also exceeded.

K. Occupancy/Use Plan. The Construction Manager shall prepare an occupancy plan for the Project. This plan shall be provided to the Town not later than 60 Days prior to the scheduled Substantial Completion date.

4.8 Cost Management.

A. Subcontract Schedule of Values. The Construction Manager shall, in coordination with the Subcontractors, determine a Schedule of Values for each of the construction subcontracts. The Schedule of Values shall be the basis for the allocation of the Contract Price to the activities shown on the Subcontractors' construction schedule. The Town shall approve the subcontract Schedule of Values before acceptance for progress billings.

B. Contract Price Allocation. Each Subcontractor's construction schedule shall have the applicable portions of the Contract Price allocated among the Subcontractor's scheduled activities so that each of the Subcontractor's activities shall be allocated a price and the sum of the prices of the activities shall be equal to or less than the total Contract Price. The Construction Manager shall review the Contract Price allocations and verify that such allocations are made in accordance with the requirements of the Contract Documents. Progress payments to a Subcontractor and the Construction Manager shall be based on the Subcontractor's percentage of completion of the scheduled activities as set out in each

Subcontractor's construction schedule report and the Subcontractor's compliance with the Contract Documents.

C. Additional Information. In instances where a lump sum or unit price is not determined prior to performing Work described in a request for changes to the Contract Price, the Construction Manager shall request from the Subcontractor records for the cost of payroll, materials, and equipment, and the amount of payments to its Subcontractors, if any, incurred by the Subcontractor in performing the Work.

D. Trade-off Studies. The Construction Manager shall provide trade-off studies for various minor construction components. The results of the trade-off studies shall be in report form and distributed to the Town's Representative and the Project Designers.

E. Payment Applications. In consultation with the Project Designers, the Construction Manager shall review the payment applications submitted by each Subcontractor and determine whether the amount requested reflects the progress of the Subcontractor's work. The Construction Manager shall make appropriate adjustments to each payment application and shall prepare and forward a progress payment report to the Town. The progress payment report shall state the total Contract Price, payments to date, current payment requested, retainage, and actual amounts owed for the current period. Included in this report shall be a certificate for payment that shall be signed by the Construction Manager and delivered to the Town. The Construction Manager shall keep the Project and the Site free and clear of all liens and claims from its Subcontractors, suppliers, or materialmen.

4.9 Shop Drawings, Product Data, and Samples.

A. Purpose. 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 Manager proposes to conform to the information given and the design concept expressed in the Contract Documents.

B. Review. The Construction Manager shall review, approve, verify, and submit to the Project Designers five copies of each Shop Drawing, product data, sample, and similar submittal required by the Contract Documents so as to cause no delay in the Work or in the activities of the Town or of separate contractors. Submittals made by the Construction Manager that are not required by the Contract Documents may be returned without action.

C. Project Designer Approval. The Construction Manager 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 Project Designers. Such Work shall be in accordance with approved submittals.

D. Construction Manager Verification. By approving, verifying, and submitting Shop Drawings, product data, samples, and similar submittals, the Construction Manager represents that the Construction Manager has determined and verified materials, field measurements, and field construction criteria related thereto, or will do so, and has checked and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents.

E. No Deviation Approval; Errors. The Construction Manager shall not be relieved of responsibility for deviations from requirements of the Contract Documents by the Project Designer's approval of Shop Drawings, product data, samples, or similar submittals, unless the Construction Manager has specifically informed the Project Designer in writing of such deviation at the time of submittal and the Project Designer has given written approval to the specific deviation. The Construction Manager shall not

be relieved of responsibility for errors or omissions in Shop Drawings, product data, samples, or similar submittals by the Project Designer's approval thereof.

F. Highlight Changes. The Construction Manager 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 Project Designers on previous submittals.

G. Informational Submittals. Informational submittals upon which the Project Designer is not expected to take responsive action may be so identified in the Contract Documents.

H. Other Certifications. When professional certification of performance criteria of materials, systems, or equipment is required by the Contract Documents, the Project Designer shall be entitled to rely upon the accuracy and completeness of such calculations and certifications.

4.10 Quality Control, Testing, and Inspection.

A. New Materials. All materials used in the Work shall be new and unused, unless otherwise noted, and shall meet all quality requirements of the Contract Documents.

B. Inspection and Approval. All construction materials to be used in 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 Town or the Project Designers. Any material rejected by the Town or the Project Designers shall be removed immediately and replaced in an acceptable manner.

C. Test Methods. The procedures and methods used to sample and test material will be determined by the Project Designers. Unless otherwise specified, samples and tests shall be made in accordance with MAG 700 Series and the standard methods of AASHTO or ASTM as referenced in the MAG 700 Series.

D. Testing Facility. The Construction Manager will select a pre-qualified independent testing laboratory and will pay for initial acceptance testing.

1. When the first and subsequent tests indicate noncompliance with the Contract Documents, the cost associated with that noncompliance and retesting will be paid for by the Construction Manager. The Construction Manager's Contingency cannot be utilized for the cost of re-testing.

2. When the first and subsequent tests indicate noncompliance with the Contract Documents, all retesting shall be performed by the same testing agency.

E. Cooperation. The Construction Manager will cooperate with the selected testing laboratory and all others responsible for testing and inspecting the Work and shall provide the laboratory's employees or agents access to the Work at all times.

F. At-source Approval. At the option of the Town, materials may be approved at the source of supply before delivery.

G. Code Compliance. Code compliance testing and inspections required by codes or ordinances, or by a plan approval authority shall be the responsibility of and shall be paid for by the Construction Manager, unless otherwise provided in the Contract Documents.

H. Responsibility. The Construction Manager's quality control testing and inspections shall be the sole responsibility of the Construction Manager and shall be paid for solely by the Construction Manager.

4.11 Trade Names and Substitutions.

A. Substitutions. Substitute or alternate items to Contract Document references to equipment, materials, or patented processes by manufacturer, trade name, make, or catalog number may be permitted, unless indicated that no substitutions are permitted, and if permitted are subject to the following:

1. The substitution shall be submitted by the Construction Manager in writing to the Project Designers.

2. The Construction Manager shall certify that the substitution will 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.

3. The submittal shall outline any required changes in the Contract Documents to adapt the design to the proposed substitution.

4. 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 the cost of design, license fees, royalties, and testing. Also, the submittal shall include any request for adjustment in the Contract Time created by the substitution.

B. Samples; Additional Information. The Construction Manager, if requested by the Project Designers, shall submit samples or any additional information that may be necessary to evaluate the acceptability of the substitution.

C. Project Designer Determination. The Project Designers will make the final decision and will notify the Construction Manager in writing as to whether the substitution has been accepted or rejected.

D. Presumed Rejection. If the Project Designers do not respond in a timely manner, the Construction Manager shall continue to perform the Work in accordance with the Contract Documents and the substitution will be considered rejected.

4.12 Project Record Documents.

A. Redline Prints. During the construction period, the Construction Manager shall maintain at the Site a set of redline, blueline, or blackline prints of the Construction Documents and Shop Drawings for Project Record Document purposes. The Construction Manager will certify that these documents are up to date when it submits its monthly pay application. The Construction Manager shall also:

1. Mark these drawings to indicate the actual installation where the installation varies appreciably from the original Construction Documents and give particular attention to information regarding concealed elements that would be difficult to identify or measure and record later. Items required to be marked include, but are not limited to:

- a. Dimensional changes to the drawings.
- b. Revisions to details shown on drawings.

- c. Depths of foundations below first floor.
- d. Locations and depths of underground utilities.
- e. Revisions to routing of piping and conduits.
- f. Revisions to electrical circuitry.
- g. Actual equipment locations.
- h. Duct size and routing.
- i. Locations of concealed internal utilities.
- j. Changes made by Change Order or Minor Adjustment.
- k. Details not on original Contract Documents.
- l. Similar deviations, variations, and modifications.

2. Mark completely and accurately Project Record 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.

3. Mark Project Record Document sets with red erasable colored pencil.

4. Note Change Order or Minor Adjustment numbers, as required to identify the source of the change to the Construction Documents.

5. As a condition of Substantial Completion, submit Project Record Documents and Shop Drawings to the Town Representative for review and comment.

B. Corrections. Upon receipt of the reviewed Project Record Documents from the Town, the Construction Manager shall correct any deficiencies and/or omissions to the drawings and prepare the following for submission to the Town within 14 Days:

1. A complete set of electronic Project Record Documents prepared in AutoCAD format compatible with the Town's CAD technology. The Project Designers will provide files of the original Construction Documents to the Construction Manager for the use of preparing these final Project Record Documents or the Construction Manager may contract with the Project Designers to revise and update the electronic drawing files. Each drawing shall be clearly marked with "As-Built Document."

2. A copy of the Project Record Documents showing all redline mark-ups against the original versions.

4.13 Project Safety. The Construction Manager recognizes the importance of performing the Work in a safe manner so as to prevent damage, injury, or loss to (A) all individuals at the Site, whether working or visiting; (B) the Work, including materials and equipment incorporated into the Work or stored on-Site or off-Site; and (C) all other property at the Site or adjacent thereto.

A. Responsibility. The Construction Manager assumes responsibility for implementing and monitoring all safety precautions and programs related to the performance of the Work.

B. Safety Representative. The Construction Manager 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, the Construction Manager's safety representative shall be an individual stationed at the Site who may have other responsibilities on the Project in addition to safety.

C. Daily Inspections. The Construction Manager's safety representative shall make routine daily inspections of the Site and shall hold weekly safety meetings with the Construction Manager's personnel, Subcontractors, and others as applicable. The Construction Manager shall provide copies of daily inspection reports and weekly safety meeting minutes, with the monthly payment applications.

D. Legal Requirements. The Construction Manager and Subcontractors shall comply with Applicable Law relating to safety, as well as any Town-specific safety requirements set forth in the Contract Documents, provided that such Town-specific requirements do not violate Applicable Law. If the Construction Manager believes a Town-specific requirement violates Applicable Law, the Construction Manager shall notify the Town of such violation within 24 hours of discovery.

E. Reporting. The Construction Manager will immediately report in writing any safety-related injury, loss, damage, or accident arising from the Work to the Town's Representative and, to the extent mandated by Applicable Law, to all government or quasi-government authorities having jurisdiction over safety-related matters involving the Project or the Work.

F. Subcontractor Responsibility. The Construction Manager's responsibility for safety under this Section is not intended in any way to relieve Subcontractors of their own contractual and legal obligations and responsibility for (1) complying with Applicable Law, including those related to health and safety matters, and (2) 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.

4.14 Substantial Completion. When the Construction Manager considers that the Work has reached Substantial Completion, it shall submit a request to the Town's Project Manager for a certificate of Substantial Completion. Substantial Completion must occur not later than the date set forth in the applicable GMP Amendment, subject to modification by changes in the Contract Time according to Article 6 below. A prerequisite for Substantial Completion, over and above the extent of construction completion required, is receipt by the Town of acceptable documentation that the Construction Manager has successfully tested and demonstrated all systems for their intended uses. In consultation with the Project Designers, the Town shall determine when the Project and the Construction Manager's Work is substantially complete. The Substantial Completion date shall be confirmed by a Certificate of Substantial Completion signed by the Town and the Construction Manager. The Certificate of Substantial Completion shall state the respective responsibilities of the Town and the Construction Manager for security, maintenance, and damage to the work and insurance. The Certificate of Substantial Completion shall also include the Punch List as created by the Construction Manager and modified by the Project Designers in consultation with the Town and establish the time for completion and correction of all Punch List items. The Construction Manager shall proceed promptly to complete and correct Punch List items. Failure to include an item on the Punch List does not alter the responsibility of the Construction Manager to complete all Work in accordance with the Contract Documents. If the Town and the Construction Manager cannot agree as to the appropriate Substantial Completion date, such issue shall be submitted for dispute resolution in accordance with the procedures set forth in Article 13 below. Notwithstanding such disagreement, the Construction Manager shall diligently proceed with completion of the Punch List items. Warranties required by the Contract Documents shall commence on the Substantial Completion date or designated portion thereof unless otherwise provided in the Contract Documents.

4.15 Final Completion. In consultation with the Project Designers, the Town shall determine when the Project and the Construction Manager's Work has reached Final Completion. Final Completion must occur not later than 60 Days after the Substantial Completion date, subject to modification by changes in the Contract Time in Article 6 below. Final Completion shall be achieved only upon the Town's written acceptance of (A) the construction, (B) all testing, (C) demonstration by the Construction Manager that the Work functions as required by the Contract Documents and meets all Contract Document requirements,

(D) resolution of all outstanding system deficiencies and Punch List items, if any, (E) delivery of all as-built documentation, drawings, completed Project Record Documents (with revisions made after Substantial Completion), annotated submittals and design document deliverables, (F) submittal, acceptance, and delivery of the 100% complete O&M manuals, (G) delivery of warranties, guarantees, inspection certificates, bonds and all other required documents, (H) all pre-requisites for final payment, and (I) submittal of Construction Manager's request for final payment and acceptance enclosing all required documentation. Upon Final Completion the Town shall issue a Certificate of Final Completion to the Construction Manager on behalf of the Town. Following receipt of payment from the Town, the Construction Manager shall make all payments due to the Subcontractors.

4.16 Correction of Defective Work.

A. During the Work. During the Work, Construction Manager shall take meaningful steps to commence correction of such nonconforming Work as notified by the Town. 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.

B. During Warranty Period. The Construction Manager agrees to correct any Work that is found to not be in conformance with the Contract Documents within the warranty period described in Subsection 5.6(A) below, or within such longer period to the extent required by the Contract Documents or as may be allowed by law. A progress payment, or partial or entire use or occupancy of the Project by the Town, shall not constitute acceptance of Work not in accordance with the Contract Documents.

C. Commencement by Construction Manager. The Construction Manager shall take meaningful steps to commence correction of nonconforming Work subject to Subsections 4.16(A) and (B) above within seven Days of receipt of written notice from the Town. 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 the Construction Manager fails to commence the necessary steps within such seven-Day period, the Town, in addition to any other remedies provided under the Contract Documents or allowed by law, may provide the Construction Manager with written notice that the Town will commence correction of such nonconforming Work with its own forces. If the Town corrects such nonconforming Work with its own forces, the GMP will be adjusted to deduct the cost to the Town. If the Town performs corrective Work after final payment, the Construction Manager shall be responsible for all reasonable costs incurred by the Town in performing such correction.

D. Emergencies. In the event nonconforming Work creates an emergency requiring an immediate response, the Construction Manager will respond and initiate corrections within 24 hours.

E. No Effect on Limitations Period. The two-year period referenced in Subsection 5.6(A) below applies only to the Construction Manager's obligation to correct nonconforming Work as provided in this Section and is not intended to constitute a period of limitations for any other rights or remedies the Town may have regarding the Construction Manager's obligations under the Contract Documents or as may be allowed by law.

4.17 Additional Services. Any Additional Services must be authorized in advance by the Town in writing; the Construction Manager shall furnish or obtain from others such authorized services. The Construction Manager shall be paid for these Additional Services by the Town as herein provided to the extent they exceed reasonably inferable obligations of the Construction Manager under this Agreement. Potential Additional Services include:

A. Planning. Providing additional planning surveys or alternative site evaluations other than as required or reasonably inferred in this Article 4.

B. Future/Outside of Project Design. Providing design services relative to future facilities, systems, and equipment that are not intended to be constructed as part of the Project, other than general planning and master planning for future work as indicated by the Town's Project program. Providing design and engineering of any work outside the Site if said work is not expressly identified and included in the Scope.

C. Major Document Revisions/Additional Documents. Making major revisions in the Construction Documents, or other documents when such revisions are inconsistent with written approvals or instructions previously given by the Town, or are due to causes beyond the control and without the fault and negligence or partial fault or negligence of the Construction Manager or its consultants or agents. Preparing additional documents for alternate, separate, or sequential bids, or providing services in connection with bidding, negotiation, or construction prior to the completion of the construction phase, other than as required or reasonably inferred in this Article 4. Making revisions to Construction Documents after the Town has approved them when revisions are due to causes beyond the control and not the fault or partial fault of the Construction Manager.

D. Advanced Soils Analysis. Providing additional soils sampling, classification, and analysis other than as required or reasonably inferred in the foregoing sections of this Article 4. The Construction Manager is entitled to rely upon the soils analysis and recommendations as provided by a geotechnical consultant, however, the Construction Manager is responsible for interpretation of such data for the purpose of establishing the means and methods of construction and such interpretation shall not be considered Additional Services during the design phase or the construction phase.

E. Expert Testimony. Preparing to serve or serving as an expert witness for the Town in connection with any public hearing, arbitration proceeding, or legal proceeding wherein the Construction Manager or Subcontractor of the Construction Manager is not a party or allegedly at fault; provided, however, preparing to serve or serving as a fact witness for the Town or rendering testimony necessary to secure governmental approval for the Project shall not constitute an additional service.

F. Survey. Providing surveying services such as platting, mapping, subdivision agreements, or recording subdivision plats other than as required or reasonably inferred in this Article 4.

G. Additional Travel. Providing Additional Services and costs necessitated by out-of-town travel required of and approved in writing by the Town other than visits to the Project and other than for travel required to accomplish the Work.

H. Unrelated Services. Providing any other services not otherwise included in this Agreement, not reasonably inferred by this Agreement, or not customarily furnished in accordance with generally accepted contractual practices consistent with the term of this Agreement.

I. Replacement Work. Providing consultation concerning replacement of Work damaged by fire or other causes and not due in whole or in part to the Construction Manager's action or inaction during construction, or furnishing services required in connection with the replacement of such work.

J. Special Studies. Providing additional special surveys, environmental studies, and submissions required for approvals of governmental authorities or others having jurisdiction over the Project, other than as required or reasonably inferred in this Article 4.

K. O&M Analysis. Providing analyses of operating and maintenance costs other than as required for value analysis in Subsection 2.2(E) above, unless provided for in the Scope.

L. Assisting with Town-Performed Work. Designing and providing other services supporting the procurement of materials to be obtained, or work, if any, to be performed by the Town, that are not a part of the Work.

ARTICLE 5 POST-CONSTRUCTION PHASE

5.1 Final Accounting and Close-out. At the conclusion of the Project, the Construction Manager shall prepare final Project accounting and close-out reports.

5.2 Occupancy Plans. The Construction Manager shall prepare and distribute reports as necessary associated with the occupancy plan.

5.3 Certificates. The Construction Manager shall secure required certificates of inspection, testing, or approval and deliver them to the Town.

5.4 Manufacturer Manuals and Warranties. The Construction Manager shall require the Subcontractors to provide manufacturers' operations and maintenance manuals, warranties, and guarantees for materials and equipment installed in the Project. Prior to Final Completion of the Project, the Construction Manager shall compile such manuals, warranties, and guarantees, bind same in an organized manner, and deliver the bound materials to the Town; the Town shall not be required to issue the final payment to the Construction Manager pursuant to Section 9.6 below until after the compiled manuals, warranties, and guarantees have been delivered to the Town. At the discretion of the Town, electronic records may be substituted for the bound materials required in this Section.

5.5 Inspection and Testing. With the assistance of the Town's maintenance personnel, the Construction Manager shall direct the inspection of utilities and operations of systems and equipment for readiness, and assist in their initial start-up and testing.

5.6 Warranties.

A. Warranty for the Work. The Construction Manager or its assignee shall give to the Town a two-year warranty against deficiencies in material and workmanship for all Work on the Project or other such warranty as required by the Town, which warranty shall begin on the Substantial Completion date. Any material deficiencies in material or workmanship identified by the Town staff during the two-year warranty period shall be brought to the attention of the Construction Manager or its assignee that provided the warranty, which both shall promptly remedy or cause to be remedied such deficiencies to the reasonable satisfaction of the Town Engineer. Continuing material deficiencies in a particular portion of the Work shall be sufficient grounds for the Town to require (1) an extension of the warranty for an additional two-year period, and (2) the proper repair of, or the removal and reinstallation of, that portion of the Work that is subject to such continuing deficiencies. Regardless of whether the applicable warranty period has expired, the Construction Manager agrees to repair any damage to the Work caused by construction activities on the Site. Nothing contained herein shall prevent the Town or the Construction Manager from seeking recourse against any other person or entity for damage to the Work caused by such third party.

B. New Materials. The Construction Manager warrants that all materials and equipment furnished under construction phase(s) of this Agreement are (1) new unless otherwise specified and approved by the Town, (2) of good quality, (3) in conformance with the Contract Documents, and (4) free from defective workmanship, defective materials, and Hazardous Materials. Warranties shall commence on the date of Substantial Completion of the Work or of a designated portion if the warranted

items are fully installed, operational, and available for use, and if not, at such time after the date of Substantial Completion as they are fully installed, operational, and available for use.

C. Actions by Others. Construction Manager's warranty obligation excludes defects caused by abuse, alterations, or failure to maintain the Work by persons other than Construction Manager or anyone for whose acts Construction Manager may be responsible and/or liable.

D. No Limitation on Other Warranties. Nothing in this warranty is intended to limit any manufacturer's warranty that provides the Town with greater warranty rights than set forth in this Section or the Contract Documents.

E. No Limitation on Legal Remedies. Nothing in this warranty is intended to limit any other remedy at law that may be available to the Town.

ARTICLE 6 CONTRACT TIME

6.1 Progress and Completion. The Town and the Construction Manager agree the time limits stated in the Contract Documents, as the same may be amended and updated by the Parties, are of the essence of this Agreement.

6.2 Commencement of the Work. The Work, except for the (A) environmental investigation services set forth in Section 2.1 above, (B) review of Construction Documents and design remedies services set forth in Section 2.2 above, and (C) Preconstruction Phase General Services set forth in Section 2.3 above, shall commence on the Notice to Proceed date of the applicable GMP Amendment, and shall proceed in general accordance with the Schedule for the Work set forth therein. Each GMP Amendment shall establish a separate Notice to Proceed date, Substantial Completion date, and portion of the Contract Time applicable to that GMP. The Substantial Completion dates may be sequential or may run consecutively.

6.3 Prosecution of the Work. The Construction Manager shall prosecute the Work so that the portion of the Work completed at any point in time shall be not less than as required by the Master Schedule. If the delay is an Inexcusable Delay, as defined below, the Construction Manager shall prepare a recovery schedule for the Town's review and approval, showing how the Construction Manager will compensate for the delays and achieve Substantial Completion by the date shown on the Master Schedule. If the Construction Manager is unable to demonstrate how it will overcome Inexcusable Delays, the Town may order the Construction Manager to employ such extraordinary measures as are necessary to bring the Work into conformity with the date of Substantial Completion set forth therein, the costs of which shall be included as part of the Cost of the Work. If the delay is an Excusable Delay, as defined below, the Town shall either (A) authorize an equitable extension in the Master Schedule to account for such delay, and equitably adjust the GMP on account of such delay, or (B) request that the Construction Manager prepare a recovery schedule showing how (if possible) the Construction Manager can achieve Substantial Completion by the date shown on the Master Schedule, and equitably adjust the applicable GMP in accordance with the Change Order provisions of this Agreement related to any extraordinary activities required of the Construction Manager on account of such recovery schedule.

6.4 Critical Path Activities. To the extent the Construction Manager completes activities on the Critical Path earlier than scheduled, the savings in time on account thereof shall belong solely to the Construction Manager.

6.5 Construction Activities. At such time as the Construction Documents, or any portion thereof, are complete, the Construction Manager shall submit a revised Master Schedule to the Town for incorporation into the Contract Documents, which will expand the Master Schedule approved to date, but

which will not, in and of itself, change the Substantial Completion date for the Project. This revised Master Schedule shall be based upon a CPM and shall show in complete detail starting and completion time of detail activities, the sequence of the Work, and all significant activities.

6.6 Extensions of Time.

A. Limited to Excusable Delay. An extension in the scheduled Substantial Completion date will only be granted in the event of Excusable Delays affecting Work activities on the Critical Path. The Construction Manager shall be entitled to general condition costs and extra costs related to the Excusable Delay for idle labor, equipment inefficiency, and lost productivity of the performance of the Work; however, the Construction Manager must submit evidence reasonably satisfactory to the Town substantiating such costs. Such adjustment to the contract sum and Substantial Completion date shall be issued in an amendment to this Agreement.

B. Excusable Delays. To the extent any of the following events results in an actual delay in the Work affecting activities on the Critical Path, such shall constitute an “Excusable Delay” (to the extent not set forth below, a delay will be considered an “Inexcusable Delay”):

1. Delays resulting from Force Majeure events. 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, floods, 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. The Force Majeure shall be deemed to commence when the Party declaring Force Majeure notifies the other Party, in accordance with Section 14.6 below, of the existence of the Force Majeure and shall be deemed to continue as long as the results or effects of the Force Majeure prevent the Party from resuming performance in accordance with this Agreement. Force Majeure shall not include (a) late delivery of equipment or materials caused by congestion at a manufacturer’s plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences, or (b) late performance by a Subcontractor unless the delay arises out of a Force Majeure occurrence in accordance with this Subsection 6.6(B). 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. The delayed Party shall cause such delay to cease as soon as practicable and shall notify the other Party in writing. The time of Substantial Completion or Final Completion shall be extended by written amendment for a period of time equal to the time that the results or effects of such delay prevent the delayed Party from performing in accordance with this Agreement.

2. Differing, unusual, or concealed Site conditions that could not reasonably have been anticipated by the Construction Manager in preparing the Master Schedule, including, without limitation, archeological finds and unusual soil conditions (including rock or other geological conditions), underground foundations, abandoned or not properly identified utility lines, and water conditions.

3. Delays resulting from the existence or discovery of Hazardous Materials on the Site not brought to the Site by or on behalf of the Construction Manager.

4. Delays resulting from changes in Applicable Law occurring after the date of execution of this Agreement.

5. Delays occurring due to the acts or omissions of the Town and those within the control of the Town.

6. Delays occurring due to the acts or omissions of a utility, so long as the Construction Manager has coordinated with the utility causing the delay, and the delay occurs despite reasonable steps taken by the Construction Manager to avoid the delay.

7. Delays resulting from weather conditions that make it unreasonable to perform the Work in accordance with the Master Schedule.

C. Process for Requesting Extension of Time. To obtain an extension of time due to an Excusable Delay, the Construction Manager must comply with the following requirements: the Construction Manager shall notify the Town of the Excusable Delay as soon as practicable, but in no event more than seven Days after the Construction Manager becomes aware of the occurrence of the Excusable Delay. Such notice shall describe the Excusable Delay and shall state the approximate number of Days the Construction Manager expects to be delayed. After the cessation of the Excusable Delay, the Construction Manager shall notify the Town of the number of Days the Construction Manager believes that its activities were in fact delayed by the Excusable Delay. In the event that the delay arises as a result of a Change Order request by the Town, the request for an extension of time contained in the resulting Change Order proposal or amendment to this Agreement, as applicable, shall be deemed sufficient for purposes of this Subsection.

D. Town Determination. Within 10 Days after cessation of an event giving rise to either an Excusable Delay or Inexcusable Delay, the Parties will use good faith efforts to agree on the extent to which the Work has been delayed and whether the delay is an Excusable Delay or an Inexcusable Delay. In the absence of agreement between the Parties as to the then-current status of Excusable Delays and Inexcusable Delays, the Town will provide the Construction Manager with written notice of the Town's determination of the number of Days of Excusable Delay and/or Inexcusable Delay within 10 Days after receipt by the Town of the Construction Manager's written request for such determination. The Construction Manager shall not, however, deem an issuance by the Town of such a determination to be a concurrence with any matters set forth in the Construction Manager's request. The Construction Manager may invoke the dispute resolution procedures set forth in Article 13 below with respect to such determination.

6.7 Concurrent Delays. To the extent the Construction Manager may be 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 Manager or by an Inexcusable Delay, the Construction Manager shall not be entitled to any additional costs for the period of such concurrency.

6.8 Weather Delays. The Construction Manager shall include and clearly identify an appropriate number of Days of weather-related delays within (A) the aggregate Master Schedule for the Work, and within the portions of the Master Schedule submitted with each GMP Proposal relating to any phase of the Project, and (B) each GMP Amendment. If the Construction Manager experiences additional weather-related delays beyond the number of Days set forth in the Master Schedule and the GMP Amendment, the Construction Manager shall be entitled to commensurate extension of time and reimbursement of costs associated with such delay; provided such requests for extensions of time are submitted and approved according to the process set forth in Section 6.6 above. If the Construction Manager fails to include an appropriate number of Days of weather-related delays within the applicable GMP Proposal for any portion of the Project, the Construction Manager shall not be eligible for any extension of time or reimbursement of costs related to otherwise Excusable Delays relating to weather for the applicable GMP Proposal.

6.9 Liquidated Damages.

A. Established. The Construction Manager and the Town acknowledge that in the event that the Construction Manager fails to achieve Substantial Completion or Final Completion of the Project by the dates established therefore in the applicable GMP Amendment, as adjusted, the Town will incur substantial damages and the extent of such damages shall be incapable of accurate measurement. Nonetheless, the Parties acknowledge that on the date of this Agreement, the amount of liquidated damages set forth below represents a good faith estimate as to the actual potential damages that the Town would incur as a result of late Substantial Completion or Final Completion of the Project. Such liquidated damages shall be the sole and exclusive remedy of the Town for late completion of the Project, and the Town hereby waives all other remedies available at law or in equity with respect to losses resulting from late completion. The amount of the liquidated damages calculated hereunder does not include any penalty.

B. Amount of Liquidated Damages.

1. If the Construction Manager fails to achieve Substantial Completion of that portion of the Work applicable to a particular GMP Proposal on or before the Substantial Completion date set forth in the applicable GMP Proposal, as adjusted, for any reason other than Excusable Delays, the Construction Manager shall pay to the Town liquidated damages in the amount per Day as determined by the MAG Specifications existing on the date this Agreement is approved by the Town for each Day Substantial Completion is delayed beyond the Substantial Completion date set forth in the applicable GMP Amendment.

2. If the Construction Manager fails to achieve Final Completion of that portion of the Work applicable to a particular GMP Proposal on or before the Final Completion date, as adjusted, for any reason other than Excusable Delays, the Construction Manager shall pay to the Town liquidated damages in the amount per Day as determined by MAG Specifications for each Day Final Completion is delayed beyond the Final Completion date established according to the applicable GMP Amendment.

3. In no case may the amount of liquidated damages due under this Subsection 6.9(B) for any single Day of delay exceed the highest amount, as determined according to MAG Specifications, that would be charged for any single Inexcusable Delay existing on such Day.

4. Payment of liquidated damages is to be made contemporaneously with any required payment to the Construction Manager, and such payments may be offset against each other.

ARTICLE 7 CONTRACT PRICE

7.1 Preconstruction Phase Compensation.

A. Project Designers' Services Not Included. The cost of services performed directly by the Project Designers are not included in the Construction Manager's compensation.

B. Amount. The Town shall pay the Construction Manager an amount not to exceed \$137,180.79 on a time and materials basis, for services performed during the Preconstruction Phase, as set forth in Article 2 above, and as more particularly described in the Preconstruction cost summary, attached hereto as Exhibit I and incorporated herein by reference, including all cost items, allowances, and reimbursable expenses.

C. Equitable Adjustment. Compensation for Preconstruction Services shall be equitably adjusted if such services extend beyond November 30, 2025, for reasons beyond reasonable control and not the fault or partial fault of the Construction Manager or as provided in Section 8.2 below. For changes in Preconstruction Services, compensation shall be adjusted as mutually agreed upon by the Town and the Construction Manager at the time of such extended services.

D. Payments. Payments for Preconstruction Services shall be due and payable within 30 Days following approval of the Construction Manager's monthly invoice by the Town. Payments due the Construction Manager that are unpaid for more than 30 Days from the due date of the invoice shall bear interest at the statutory rate.

7.2 Construction Phase Compensation. The portion of Contract Price applicable to the Construction Services shall be the aggregate of all approved GMP Amendments.

A. GMP. The Guaranteed Maximum Price is composed of the Direct Construction Costs and the Construction Fee. The Construction Manager is at risk to cover any additional Project costs. To the extent the combined total of the Direct Construction Costs and the Construction Fee at the conclusion of the Project is less than the GMP, the difference shall be retained by the Town.

B. GMP Adjustment. If a GMP requires an adjustment due to changes in the Work, the cost of such changes is determined subject to Article 8 below. The markups permitted on such changes shall be no greater than the markups delineated in the approved GMP.

C. The Town's Contingency. The Town's Contingency funds are to be used at the discretion of the Town to cover any increases in Project costs that result from the Town-directed changes or unforeseen Site conditions. The Town's Contingency will be approved in conjunction with the applicable GMP Amendment but will not be included in the full Contract Price. Markups for Construction Fee and taxes will be applied by the Construction Manager at the time that the Town's Contingency is used. The amount of contingency for each GMP amendment will be negotiated separately.

D. Payment Data. The Construction Manager shall submit to the Town, 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 contracts between the Construction Manager and its Subcontractors and Consultants. The Town may exercise its rights under this Section as often as reasonably necessary in the Town's sole judgment to ensure the Town has a complete and accurate understanding of all Project costs.

7.3 Adjustment in the Contract Price. Adjustment to the respective components of the Contract Price shall be made as follows:

A. Changes in the Work. For changes in the Work as provided in Article 8 below, the applicable Contract Price shall be adjusted as mutually agreed by the Parties, in writing, prior to commencement of any work pursuant to such changes.

B. Delays in the Work. For delays in the Work not caused, in whole or in part, by the Construction Manager, Subcontractors, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, there will be an equitable adjustment in the Contract Price to compensate the Construction Manager for increased expenses due to unforeseeable circumstances, according to the requirements of Article 6 above.

C. Replacement Work. If the Construction Manager is placed in charge of managing the replacement of an insured or uninsured loss not caused by or the fault of the Construction Manager or other parties identified in Subsection 7.3(B) above, the Construction Manager shall be paid an additional fee in the same proportion that the applicable portion of the Contract Price bears to the estimated applicable Cost of the Work, or as otherwise agreed to by the Parties.

ARTICLE 8 CHANGES IN THE WORK

8.1 Prescribed Methods for Changes. Changes in the Construction Manager's Services shall only be made by a written Minor Adjustment or Change Order to this Agreement signed by the Town and the Construction Manager. Changes involving (A) a change in the not-to-exceed amount for the Preconstruction Services set forth in Section 7.1 above, or (B) a change in any GMP, shall be considered a Change Order and must be approved as an amendment to this Agreement and executed by the Town and the Construction Manager. The Construction Manager shall not (A) perform any additional Services, or (B) eliminate any duties included in the Services until a written amendment addressing the Change Order has been properly approved and executed by both Parties. The Construction Manager shall proceed to perform the Services required by the Change Order only after receiving written notice from the Town directing the Construction Manager to proceed.

8.2 Change Control System. The Construction Manager shall establish and implement a change control system. All proposed changes shall first be described in detail in writing by the requesting party. The requesting party shall submit detailed information to the Construction Manager for evaluation concerning the costs and time adjustments, if any, necessary to perform the proposed changed work. The Construction Manager shall discuss the proposed change with the appropriate Subcontractor and endeavor to determine the Subcontractor's basis for the cost to perform the work and the effect, if any, on the applicable GMP. The Construction Manager shall make a recommendation to the Town pursuant to this Article 8 prior to the Town's acceptance of all change requests.

8.3 Minor Adjustments; Change Orders; GMP Adjustments. Changes in the Work that are within the general scope of this Agreement may be accomplished by Minor Adjustment without invalidating this Agreement; provided, however, that any change in the Work that will result in an increase to a GMP or extension of the Substantial Completion date shall be pursuant to a Change Order approved by a written amendment to this Agreement clearly delineating the amounts attributable to compensation for the General Conditions Costs, the Construction Fee and other Cost of the Work.

8.4 Determination of Cost. An increase or decrease in a GMP resulting from a change in the Work shall be determined by one or more of the following methods:

- A. Unit prices set forth in this Agreement or as subsequently agreed.
- B. Mutually accepted, itemized lump sum.
- C. Costs determined as defined in Article 3 above.

D. If an increase or decrease cannot be agreed to as set forth in Subsections 8.4(A) and (B) above and the Town issues a written order for the Construction Manager to proceed with the change, the cost of the change in the Work shall be determined by the reasonable expense or savings of the performance of the Work resulting from the change.

8.5 No Obligation to Perform. The Construction Manager shall not be obligated to perform changed Work until a Minor Adjustment or a Change Order/amendment to this Agreement, as applicable,

has been executed by the Town and the Construction Manager, except as provided in Subsection 8.4(D) above.

8.6 Adjustment of Unit Prices. If a proposed change alters original quantities to a degree that application of previously agreed to unit prices would be inequitable to either the Town or the Construction Manager, the unit prices shall be equitably adjusted, and, if the result is an increase to a GMP, an amendment to this Agreement shall be executed.

8.7 Unknown Conditions. If, in the performance of the Work, the Construction Manager or its Subcontractor finds latent, concealed, or subsurface physical conditions that (A) differ from the conditions the Construction Manager or its Subcontractor should have reasonably anticipated, (B) differ substantially from available soils reports, or (C) differ substantially and materially from those normally encountered and generally recognized as inherent in the kind of work provided for in this Agreement at this location (occurrence of shifting and expansive soils, including clay soils and sandstone expressly noted as commonly occurring in the Project area), then the applicable GMP compensation and/or the Substantial Completion date may be equitably adjusted only if the Construction Manager notifies the Town within seven Days after the conditions are first observed in accordance with Article 6 above.

8.8 Emergencies. In any emergency affecting the safety of persons and/or property, the Construction Manager shall act, at its discretion, to prevent threatened damage, injury, or loss. Any change in a GMP, compensation for Preconstruction Services, the Contract Price, and/or extension of the Substantial Completion date on account of emergency work shall be determined as provided in this Agreement.

ARTICLE 9 PAYMENT

9.1 Progress Payments.

A. Submittal Process. On or before the 15th day of each month after the construction phase has commenced, the Construction Manager shall submit to the Town an “Application for Payment” consisting of the Cost of the Work performed up to the end of the prior month, including the cost of material stored on the Site or at other locations approved by the Town, along with a proportionate share of the Construction Fee. For the purpose of audit, prior to submission of the next Application for Payment, the Construction Manager shall make available at the request of the Town a statement accounting for the disbursement of funds received under the previous Application. The form and extent of such statement shall be as agreed upon between the Town and Construction Manager.

B. The Town’s Payment. Within seven Days after approval of each monthly Application for Payment, the Town shall pay directly to the Construction Manager the appropriate amount for which Application for Payment is made, less amounts (1) previously paid by the Town, (2) sufficient to pay expenses the Town reasonably expects to incur in correcting deficiencies that are set forth in writing and provided to the Construction Manager, and (3) any retainage as set forth in Section 9.2 below.

C. No Liens. The Construction Manager warrants and guarantees that the title to all Work, materials, and equipment covered by an Application for Payment, whether incorporated in the Project or not, will pass to the Town upon receipt of such payment by the Construction Manager free and clear of all liens, claims, security interests, or encumbrances. At the Town’s request, the Construction Manager shall complete and submit a Lien Release, in a form substantially similar to the form attached hereto as Exhibit L, with each Application for Payment.

D. Non-Conforming Work. The Town's progress payment, occupancy, or use of the Project, whether in whole or in part, shall not be deemed as acceptance of any Work not conforming to the requirements of this Agreement or the Contract Documents.

E. Unfinished Items. Upon Substantial Completion of the Work, the Town shall pay the Construction Manager the unpaid balance of the Cost of the Work, General Conditions Costs, and the Construction Fee, less a sum equal to the Construction Manager's estimated cost of completing any unfinished items as agreed to between the Town and the Construction Manager as to extent and time for completion. The Town thereafter shall pay the Construction Manager monthly the amount retained for unfinished items as each item is completed.

9.2 Retainage.

A. Exceptions to Retainage Requirement. No retainage shall be withheld with respect to gross receipts tax and premiums for bonds and insurance.

B. Amount Retained. With respect to the Work, the Town shall retain 10% of the amount of each estimate until Final Completion and acceptance of all material, equipment, and work covered by the Contract Documents.

1. Any securities submitted by the Construction Manager in lieu of retainage as may be allowed by law, shall be deposited in an escrow account by the Town. The Town shall be listed as payee or multiple payees with the Construction Manager on all such securities.

2. When the Work is 50% completed, one-half of the amount retained, including any securities substituted pursuant to Subsection 9.2(B)(1) above, shall be paid to the Construction Manager upon the Construction Manager's request, provided the Construction Manager is making satisfactory progress on the Work and there is no specific cause or claim requiring a greater amount to be retained. After the construction Work is 50% completed, no more than 5% of the amount of any subsequent progress payments made under the Contract Documents may be retained, provided the Construction Manager is making satisfactory progress on the Project. If, at any time, the Town determines satisfactory progress is not being made, 10% retention shall be reinstated for all progress payments made under the Contract Documents after the determination.

9.3 Payment for On-site and Off-site Stored Materials. Payment shall be made on account of materials and equipment delivered and suitably stored at the Site for subsequent incorporation in the Work. Payment may similarly be made for materials and equipment suitably stored off the Site, conditioned upon the Construction Manager furnishing evidence to the Owner that (A) title to the materials and equipment will pass to the Town upon payment therefor, (B) the materials and equipment are adequately insured, and (C) such other matters as the Town may reasonably request to protect its interests.

9.4 Title to Construction Work. The Construction Manager warrants that title to all Work covered by an Application for Payment shall pass to the Town no later than the time of payment. The Construction Manager further warrants that, upon submittal of an Application for Payment, all Work for which Applications for Payment have been previously issued and payments received from the Town shall be free and clear of liens, claims, security interests, or encumbrances in favor of the Construction Manager, Subcontractors, material suppliers, or other persons or entities making a claim by reason of having provided labor, materials, and equipment relating to the Work.

9.5 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset against any money due to the Construction Manager any amounts the Construction Manager owes to the Town for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset against any money due to the Construction Manager any amounts the Construction Manager owes to the Town for delinquent fees, transaction privilege use taxes, and property taxes, including any interest or penalties.

9.6 Final Payment.

A. Fully Completed Work. Final payment, consisting of the unpaid balance of (1) the Cost of the Work, (2) compensation for Preconstruction Services, and (3) the Construction Fee, shall be due and payable when the Work is fully completed and accepted by the Town. Before issuance of final payment, the Town may request satisfactory evidence that all payrolls, materials bills, and other indebtedness connected with the Work have been paid or otherwise satisfied.

B. Waiver of Claims. In making final payment, the Town waives all claims against the Construction Manager except for:

1. Outstanding liens.
2. Improper workmanship or defective materials.
3. Work not in conformance with the Contract Documents or work not completed.
4. Terms of any special warranties required by the Contract Documents.
5. Delivery to the Town of all warranties, operation and maintenance manuals, record drawings, and other documents as required by the Contract Documents.
6. Right to audit Construction Manager records for a period of three years.
7. Claims previously made in writing that remain unsettled.

C. Acceptance as Waiver. Acceptance of final payment by the Construction Manager shall constitute a waiver of affirmative claims by the Construction Manager against the Town, its employees, elected officials, and agents, except those previously made in writing and identified as unsettled at the time of final payment.

9.7 Payments to Subcontractors.

A. The Construction Manager shall pay its Subcontractors or suppliers within seven Days of receipt of each progress payment from the Town and as required by Arizona law. The Construction Manager shall pay for the amount of Work performed or materials supplied by each Subcontractor or Supplier as accepted and approved by the Town with each progress payment. In addition, any reduction of retention by the Town to the Construction Manager shall result in a corresponding reduction to Subcontractors or suppliers who have performed satisfactory work. The Construction Manager shall pay Subcontractors or suppliers the reduced retention within 14 Days of the payment of the reduction of the

retention to the Construction Manager. No Contract between the Construction Manager 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 or by Arizona law.

B. Failure to Timely Pay. The Construction Manager agrees that if it fails to make payments in accordance with these provisions, the Town may take any one or more of the following actions:

1. Hold the Construction Manager in default under this Agreement.
2. Withhold future payments, including retention, until proper payment has been made to Subcontractors or suppliers in accordance with these provisions.
3. Reject all future offers to perform work for the Town from the Construction Manager for a period not to exceed one year from the date of Substantial Completion of the Project.
4. Terminate this Agreement.
5. Make a claim against the bonds required pursuant to Article 11 below.

C. No Waiver. Should the Town 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.

D. Inclusion in Subcontracts. The Construction Manager shall include these prompt payment provisions in every subcontract, including procurement of materials and leases of equipment for this Agreement.

9.8 Record Keeping and Finance Controls.

A. Retention Requirement. Records of the Construction Manager's direct personnel payroll, reimbursable expenses pertaining to the Project, and records of accounts between the Town and the Construction Manager shall be kept on a generally recognized accounting basis and shall be available for three years after Final Completion of the Project.

B. Audit Rights. The Town, its authorized representative, and/or the appropriate federal agency, reserve the right to audit the Construction Manager's records to verify the accuracy and appropriateness of all pricing data, including data used to negotiate Contract Documents and any Change Orders.

C. Pricing Data Inaccuracies. The Town reserves the right to decrease Contract Price and/or payments made on this Agreement, in an amount determined by the Town in its sole discretion, if, upon audit of the Construction Manager's records, the audit discloses the Construction Manager has provided false, misleading, or inaccurate cost and pricing data.

D. Inclusion in Subcontracts. The Construction Manager shall include a similar provision in all of its agreements with Sub-consultants and Subcontractors providing services under the Contract Documents to ensure the Town, its authorized representative, and/or the appropriate federal agency, has access to the Sub-consultants' and Subcontractors' records to verify the accuracy of cost and pricing data.

E. Town Remedies. The Town reserves the right to decrease Contract Price and/or payments made under this Agreement, in an amount determined by the Town in its sole discretion, if the above provision is not included in Sub-consultants' and Subcontractors' contracts, and one or more Sub-consultants and/or Subcontractors do not allow the Town to audit their records to verify the accuracy and appropriateness of pricing data.

ARTICLE 10 INSURANCE AND INDEMNITY

10.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of Construction Manager, Construction Manager shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Arizona pursuant to ARIZ. REV. STAT. § 20-206, as amended, with an A.M. Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, the Town does not represent that coverage and limits will be adequate to protect Construction Manager. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Construction Manager from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees as Additional Named Insured as specified under the respective coverage sections of this Agreement. The additional insured endorsement for products/completed operations of General Liability made for the Town shall provide this coverage for at least seven years following Town receipt of product or completion of work by the Construction Manager. The insurance policies for general liability and automobile liability must contain a severability of interest provision. The Town reserves the right to continue payment of premium for which reimbursement will be deducted from amounts due or subsequently due from the Construction Manager.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by the Town, unless specified otherwise in this Agreement.

E. Primary Insurance. Construction Manager's insurance shall be primary and non-contributory insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, Construction Manager agrees that the retroactive date on the insurance policy shall be the same as the effective date of this original contract or earlier and carried forward as that same retroactive date or earlier on any subsequent renewals of this agreement. In the event the policy is canceled, non-renewed, switched to an Occurrence Form, retroactive date advanced, or any other event triggers the right to purchase a Supplemental Extended Reporting Period (SERP) during the life of any resulting contract, Construction Manager agrees to purchase a SERP with a minimum reporting period not

less than three (3) years. The requirement to purchase a SERP shall not relieve Construction Manager of the obligation to provide replacement coverage.

G. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers, and employees for any claims arising out of the work or services of Construction Manager. Construction Manager shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

H. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the Town. Construction Manager shall be solely responsible for any such deductible or self-insured retention amount.

I. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, Construction Manager shall execute written agreements with its subcontractors containing the indemnification provisions set forth above and insurance requirements set forth herein protecting the Town and Construction Manager. Construction Manager shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

J. Evidence of Insurance. Prior to commencing any work or services under this Agreement, Construction Manager will provide the Town with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies and all endorsements as required by this Agreement, issued by Construction Manager's insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The Town shall reasonably rely upon the certificates of insurance, copies of endorsements, and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be Construction Manager's responsibility to forward renewal certificates and declaration page(s) to the Town 30 days prior to the expiration date. All certificates of insurance, endorsements, and declarations required by this Agreement shall be identified by referencing this Agreement. A \$25.00 administrative fee shall be assessed for all certificates, endorsements, or declarations received without a reference to this Agreement. Additionally, certificates of insurance, endorsements, and declaration page(s) of the insurance policies submitted without a reference to this Agreement will be subject to rejection and may be returned or discarded. Certificates of insurance, endorsements, and declaration page(s) shall specifically include the following provisions:

1. The Town, its agents, representatives, officers, directors, officials, and employees are Additional Insureds as follows:

a. Commercial General Liability – Under Insurance Services Office, Inc., ("ISO") Form CG 20 10 04 13 or equivalent for additional insured on premises/ongoing operations and Commercial General Liability CG 20 37 for additional insured on products/completed operations.

b. Auto Liability – Under ISO Form CA 20 48 or equivalent for additional insured.

c. Excess Liability – Follow Form to underlying insurance or, if an umbrella is used, provide endorsement indicating following form basis on underlying policies and their endorsements, or specific endorsements to provide additional insured and waiver of subrogation to the Town on the underlying GL, AL, WC coverages. Declarations page or endorsement copy will also be needed to show that excess liability or umbrella covers over underlying policies to include GL, AL, WC, Professional Liability.

2. Construction Manager's insurance shall be primary insurance with respect to performance of this Agreement.

3. All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against Town, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Construction Manager under this Agreement.

ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

K. Endorsements. Construction Manager shall provide the Town with the necessary endorsements to ensure Town is provided the insurance coverage set forth in this Section.

10.2 Required Insurance Coverage.

A. Commercial General Liability. Construction Manager shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury, and advertising injury. The policy shall include fire legal liability coverage in an amount not less than \$50,000. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured's clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, officials, and employees shall be cited or endorsed on a primary and non-contributory basis as an Additional Insured for premises/ongoing operations, personal and advertising injury, and for products/completed operations. The additional insured endorsement for products/completed operations of General Liability made for the Town shall provide this coverage for at least seven years following Town receipt of product or completion of work by the Independent Contractor for the Town. The insurance policy for general liability must contain a severability of interest provision. If any Excess or Umbrella insurance is utilized to fulfill the requirements of this Subsection, such Excess or Umbrella insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. Construction Manager shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on Construction Manager's owned, hired and non-owned vehicles assigned to or used in the performance of the Construction Manager's work or services under this Agreement. Coverage will be at least as broad as ISO coverage code "1" "any auto" policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials, and employees shall be cited as an Additional Insured on a primary and noncontributory basis under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. The insurance policy

for automobile liability must contain a severability of interest provision. If any Excess or umbrella insurance is utilized to fulfill the requirements of this Subsection, such Excess or umbrella insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Construction Manager engages in any professional services or work in any way related to performing the work under this Agreement, the Construction Manager shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Construction Manager, or anyone employed by the Construction Manager, or anyone for whose negligent acts, mistakes, errors and omissions the Construction Manager is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate. Construction Manager to provide a current loss run with in the last 15 days to verify limits are unimpeded prior to execution of this contract. Construction Manager has option to purchase and evidence higher limits if needed to overcome an existing impairment caused by open active claims upon it in this area or other claims against it settled with in the current policy period.

D. Workers’ Compensation Insurance. If Construction Manager employs anyone who is required by law to be covered by workers’ compensation insurance, Construction Manager shall maintain Workers’ Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Construction Manager’s employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

E. Builder’s Risk Insurance. Unless expressly waived by the Town in a written amendment to this Agreement, the Construction Manager shall be responsible for purchasing and maintaining insurance to protect the Project from perils of physical loss. The insurance shall provide for the full cost of replacement for the entire Project at the time of any loss. The insurance shall include as named insureds the Town, the Construction Manager, and the Construction Manager’s Subcontractors, and shall insure against loss from the perils of fire and all risk coverage for physical loss or damage due to theft, vandalism, collapse, malicious mischief, transit, flood, earthquake, and testing, and resulting loss arising from defective design, negligent workmanship, or defective material. The Construction Manager shall increase the coverage limits as necessary to reflect changes in the estimated replacement cost.

10.3 Cancellation and Expiration Notice. Construction Manager shall provide at least 30 Days’ prior written notice to the Town before insurance required herein expires, is canceled, or is materially changed.

10.4 Indemnity. To the fullest extent permitted by law, the Construction Manager shall indemnify and hold harmless the Town and each council member, officer, employee, or agent thereof (the Town and any such person being herein called an “Indemnified Party”), for, from, and against any and all losses, claims, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys’ fees, court costs, and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever (“Claims”) to the extent that such Claims (or actions in respect thereof) are caused by the negligent acts or omissions, recklessness, or intentional misconduct of the Construction Manager, its officers, employees, agents, or any tier of subcontractor in connection with the Construction Manager’s work or services in the performance of this Agreement. The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this Section.

ARTICLE 11 BONDS

11.1 Performance Bond. After the Town and the Construction Manager have agreed to a GMP but prior to commencing the Construction Services attributable to such GMP, the Construction Manager shall be required to furnish the Town with an irrevocable security binding the Construction Manager to provide faithful performance of this Agreement in the amount of 100% of the percentage of the GMP attributable to the Construction Services, payable to the Town, and shall not include the cost of any design services, preconstruction services, finance services, maintenance services, operations services, or any other related services. Performance security shall be in the form of a performance bond, certified check, or cashier's check. If the Construction Manager fails to execute the security document as required, the Construction Manager may be found in material default of this Agreement, permitting the Town to terminate this Agreement for cause as set forth in Article 12 below. In case of default the Town reserves all rights. All performance bonds shall be executed on the form attached hereto as Exhibit J and incorporated herein by reference, duly executed by the Construction Manager as Principal and having as Surety thereon a Surety company approved by the Town and holding a Certificate of Authority issued by the Arizona Department of Insurance to transact surety business in the State of Arizona. Individual sureties are unacceptable. All Insurers and Sureties shall have at the time of submission of the proposal an A.M. Best's Key Rating Guide of "A-" or better as currently listed in the most recent Best Key Guide, published by the A.M. Best Company.

11.2 Payment Bond. After the Town and the Construction Manager have agreed to a GMP but prior to commencing the Construction Services attributable to such GMP, the Construction Manager shall be required to furnish the Town with an irrevocable security for the protection of all claimants supplying labor or materials to the Construction Manager or any Subcontractor in the prosecution of the construction and not for the protection of persons providing any design services, preconstruction services, finance services, maintenance services, operations services, or other services related to the Agreement. Payment security shall be in the amount of 100% of the portion of the GMP attributable to the Construction Services and be payable to the Town. Payment security shall be in the form of a payment bond, certified check, or cashier's check. If the Construction Manager fails to execute the security document as required, the Construction Manager may be found in material default of this Agreement, permitting the Town to terminate this Agreement for cause as set forth in Article 12 below. All payment bonds shall be executed on the form attached hereto as Exhibit K and incorporated herein by reference, duly executed by the Construction Manager as Principal and having as Surety thereon a Surety company approved by the Town and holding a Certificate of Authority issued by the Arizona Department of Insurance to transact surety business in the State of Arizona. Individual sureties are unacceptable. All Insurers and Sureties shall have at the time of submission of the proposal an A.M. Best's Key Rating Guide of "A-" or better as currently listed in the most recent Best Key Guide, published by the A.M. Best Company.

ARTICLE 12 TERMINATION AND SUSPENSION

12.1 Termination by the Construction Manager.

A. Procedure. Upon 30 Days' written notice to the Town of one of the reasons set forth below, and if the Town fails to cure or initiate reasonable action to cure within 30 Days of receipt of said notice, the Construction Manager may terminate this Agreement for any of the following:

1. If the Work has been stopped for a 60-Day period:
 - a. Under court order or order of other governmental authorities having jurisdiction; or

b. As a result of the declaration of a national emergency or other governmental act during which, through no act or fault of the Construction Manager, materials are not available.

2. If the Work is suspended by the Town for more than 60 Days.

3. If the Town materially delays the Construction Manager in the performance of the Work.

4. If the Town otherwise materially breaches this Agreement.

B. Payment to Construction Manager. Upon termination by the Construction Manager in accordance with Subsection 12.1(A) above, the Construction Manager shall be entitled to recover from the Town payment for all Work completed to the date of termination plus reasonable demobilization costs, subcontract and purchase order termination costs, reasonable overhead, extended general conditions, and profit on the Work performed. The Town may subtract reasonable estimates of costs for deficient work from the payments noted above. For the purposes of this Subsection, extended General Conditions Costs shall be calculated at the unit prices set forth in the GMP proposal, provided that the extended cost of a General Condition for which a unit price is not provided shall be calculated by dividing the estimated total cost for that General Condition by the relevant number of Days set forth in the Master Schedule, and multiplying that result by the number of such days that elapsed before termination pursuant to Subsection 12.1(A) above.

12.2 Termination by the Town for Cause.

A. Construction Manager Default. If the Construction Manager refuses or fails, except in cases for which extension of time is provided, to supply sufficient properly skilled staff or proper materials, or disregards laws, ordinances, rules, regulations, or orders of any public authority having jurisdiction, or otherwise substantially violates or materially breaches any term or provision of this Agreement, and such nonperformance or violation continues without cure for 15 Days after the Construction Manager receives written notice of such nonperformance or violation from the Town, then the Town may, without prejudice to any right or remedy otherwise available to the Town, terminate this Agreement.

B. Construction Manager Insolvency. Upon the appointment of a receiver for the Construction Manager, or if the Construction Manager makes a general assignment for the benefit of creditors, the Town may terminate this Agreement, without prejudice to any right or remedy otherwise available to the Town, upon giving three Days' written notice to the Construction Manager. If an order for relief is entered under the bankruptcy code with respect to the Construction Manager, the Town may terminate this Agreement by giving three Days' written notice to the Construction Manager unless the Construction Manager or the trustee does all of the following:

1. Promptly cures all breaches within such three-Day period.
2. Provides adequate assurances of future performance.
3. Compensates the Town for actual pecuniary loss resulting from such breach(es).
4. Assumes the obligations of the Construction Manager within the established time limits.

C. Failure to Agree on a GMP. If the Town and the Construction Manager fail, after good faith efforts, to agree upon a GMP, this Agreement may be terminated upon 15 Days' notice from either Party to the other. In the event of a termination for failure to agree on a GMP, the Construction Manager's sole and exclusive right and remedy shall be to be paid for all Work performed and to receive equitable adjustment for all Work performed through the date of termination plus reasonable demobilization costs, subcontract and purchase order termination costs, reasonable overhead and profit on the Work performed. The Construction Manager shall not be entitled to be paid any amount as profit for unperformed Work or Services or consideration for the termination under this Subsection. If this Agreement is terminated for failure to agree on a second or subsequent GMP, extended General Conditions costs shall be adjusted as set forth in Subsection 12.1(B) above.

12.3 Termination by the Town for Convenience. The Town may, upon 30 Days' written notice to the Construction Manager, terminate this Agreement, in whole or in part, for the convenience of the Town, without prejudice to any right or remedy otherwise available to the Town. Upon receipt of such notice, the Construction Manager shall immediately discontinue all services affected unless such notice directs otherwise. In the event of a termination for convenience of the Town, the Construction Manager's sole and exclusive right and remedy shall be to be paid for all Work performed and to receive equitable adjustment for all Work performed through the date of termination plus reasonable demobilization costs, subcontract and purchase order termination costs, reasonable overhead and profit on the Work performed. The Construction Manager shall not be entitled to be paid any amount as profit for unperformed Work or Services or consideration for termination by the Town under this Section 12.3.

12.4 Set Off. Upon termination of this Agreement by the Town, the Town shall be entitled to furnish or have furnished the Services to be performed hereunder by the Construction Manager by whatever method the Town may deem expedient. Also, in such case, the Construction Manager shall not be entitled to receive any further payment until completion of the Work and the total compensation to the Construction Manager under this Agreement shall be the amount that is equitable under the circumstances. If the Town and the Construction Manager are unable to agree on the amount to be paid under the foregoing sentence, the Town shall fix an amount, if any, that it deems appropriate in consideration of all of the circumstances surrounding such termination and shall make payment accordingly.

12.5 Suspension by the Town for Convenience.

A. Procedure. The Town may order the Construction Manager in writing to suspend, delay, or interrupt all or any part of the Work without cause for such period of time as the Town may determine to be appropriate for its convenience, but not in abrogation of the rights given the Construction Manager in Section 12.1 above.

B. Adjustments to GMP and Schedule. Adjustments caused by suspension, delay, or interruption shall be made for increases in the applicable GMP and/or the applicable Substantial Completion date. No adjustment shall be made if the Construction Manager is or otherwise would have been responsible for the suspension, delay, or interruption of the Work, or if another provision of this Agreement is applied to render an equitable adjustment.

ARTICLE 13 DISPUTE RESOLUTION

13.1 Scope. Notwithstanding anything to the contrary provided elsewhere in the Contract Documents, except for Subsection 13.4 (G) below, the alternative dispute resolution ("ADR") process provided for herein shall be the exclusive means for resolution of claims or disputes arising under, relating to, or touching upon the Agreement, the interpretation thereof, or the performance or breach by any party thereto, including but not limited to original claims or disputes asserted as cross claims, counterclaims, third

party claims, or claims for indemnity or subrogation, in any threatened or ongoing litigation or arbitration with third parties, if such disputes involve parties to agreements containing this ADR provision.

13.2 Neutral Evaluator, Arbitrators. The Town will select a Neutral Evaluator to serve as set forth in this ADR process. The Town and the Construction Manager shall each select an arbitrator to serve as set forth in this ADR process. Each arbitrator selected shall be a member of the State Bar of the State of Arizona and shall have experience in the field of construction law. None of the arbitrators nor any of the arbitrator's firms shall have presently, or in the past, represented any party to the arbitration.

13.3 Neutral Evaluation Process. If the Parties have been unable to resolve the disputes after discussions and partnering, the following neutral evaluation process shall be used to resolve any such dispute.

A. Notification of Dispute. The Town shall notify the Neutral Evaluator in writing of the existence of a dispute within 10 Days of the Town or the Construction Manager declaring need to commence the neutral evaluation process.

B. Non-Binding Informal Hearing. The Neutral Evaluator shall schedule a non-binding informal hearing of the matter to be held within seven Days from receipt of notification of the existence of a dispute. The Neutral Evaluator may conduct the hearing in such manner as he deems appropriate and shall notify each party of the hearing and of its opportunity to present evidence it believes will resolve the dispute. Each party to the dispute shall be notified by the Neutral Evaluator that it shall submit a written outline of the issues and evidence intended to be introduced at the hearing and the proposed resolution of the dispute to the Neutral Evaluator before the hearing commences. Arbitrators shall not participate in such informal hearing or proceedings process. The Neutral Evaluator is not bound by the rules of evidence when admitting evidence in the hearing and may limit the length of the hearing, the number of witnesses, or any evidence introduced to the extent deemed relevant and efficient.

C. Non-Binding Decision. The Neutral Evaluator shall render a non-binding written decision as soon as possible, but not later than five Days after the hearing.

13.4 Binding Arbitration Procedure. The following binding arbitration procedure, except as provided in Subsection 13.4(G) below, shall serve as the exclusive method to resolve a dispute if any party chooses not to accept the decision of the Neutral Evaluator. The party requesting binding arbitration shall notify the Neutral Evaluator in writing within three Days of receipt of the Neutral Evaluator's decision of a request for arbitration. If the Construction Manager requests arbitration it shall post a cash bond with the Neutral Evaluator in an amount agreed upon by the Parties or, in the event of no agreement, the Neutral Evaluator shall establish the amount of the cash bond to defray the cost of the arbitration as set forth in Subsection 13.4(M) below and the proceeds from the bond shall be allocated in accordance with Subsection 13.4(M) by the Arbitration Panel.

A. Arbitration Panel. The Arbitration Panel shall consist of three arbitrators: the Town's appointed arbitrator, the Construction Manager's appointed arbitrator, and a third arbitrator (or "Neutral Arbitrator") who shall be selected by the Parties' arbitrators as set forth in Subsection 13.4(B) below. If one or more Subcontractor(s) is (are) involved in a dispute, the Subcontractors shall agree on an appointee to serve as arbitrator on behalf of all such Subcontractors. The Neutral Evaluator shall not participate in the proceedings.

B. Selection of Neutral Arbitrator. The Parties' arbitrators shall choose the Neutral Arbitrator within five Days of receipt of notification of a dispute from the Neutral Evaluator. The Neutral Arbitrator shall have the same qualifications as those of the arbitrators set forth in Section 13.2 above. In the event that the selected arbitrators cannot agree on the Neutral Arbitrator as set forth above, the Neutral

Arbitrator shall be the “Default Neutral Arbitrator.” The Default Neutral Arbitrator shall be selected as follows: the Town and the Construction Manager shall each submit two names to the presiding judge of the Yavapai County Superior Court, who shall select one person to serve as the Default Neutral Arbitrator.

C. Expedited Hearing. The Parties have structured this procedure with the goal of providing for the prompt, efficient, and final resolution of all disputes falling within the purview of this ADR process. To that end, any Party can petition the Neutral Evaluator to set an expedited hearing. If the Neutral Evaluator determines that the circumstances justify it, the Neutral Evaluator shall contact the selected Arbitration Panel and arrange for scheduling of the arbitration at the earliest possible date. In any event, the hearing of any dispute not expedited will commence as soon as practical but in no event later than 20 Days after notification of request for arbitration having been submitted. This deadline can be extended only with the consent of all the Parties to the dispute, or by decision of the Arbitration Panel upon a showing of emergency circumstances.

D. Procedure. The Arbitration Panel will select a chairman and will conduct the hearing in such a manner that will resolve disputes in a prompt, cost-effective manner giving regard to the rights of all parties. Each Party shall supply to the Arbitration Panel a written pre-hearing statement which shall contain a brief statement of the nature of the claim or defense, a list of witnesses and exhibits, a brief description of the subject matter of the testimony of each witness who will be called to testify, and an estimate as to the length of time that will be required for the arbitration hearing. The Arbitration Panel shall review and consider the Neutral Evaluator decision. The chairman shall determine the nature and scope of discovery, if any, and the manner of presentation of relevant evidence consistent with deadlines provided herein, and the Parties’ objective that disputes be resolved in a prompt and efficient manner. No discovery may be had of any materials or information for which a privilege is recognized by Arizona law. The chairman, upon proper application, shall issue such orders as may be necessary and permissible under law to protect confidential, proprietary, or sensitive materials or information from public disclosure or other misuse. Any Party may make application to the Yavapai County Superior Court to have a protective order entered as may be appropriate to confirm such orders of the chairman.

E. Hearing Days. To effectuate Parties’ goals, the hearing once commenced, will proceed from Day to Day until concluded, absent a showing of emergency circumstances.

F. Award. The Arbitration Panel shall, within 10 Days from the conclusion of any hearing, by majority vote issue its award. The award shall include an allocation of fees and costs pursuant to Subsection 13.4(M) below. The award is to be rendered in accordance with this Agreement and the laws of the State of Arizona.

G. Scope of Award. The Arbitration Panel shall be without authority to award punitive damages, and any such punitive damage award shall be void. The Arbitration Panel shall be without any authority to issue an award against any individual Party in excess of 20% of the original Agreement amount, but in no event shall any award exceed \$2,000,000, exclusive of interest, arbitration fees, costs, and attorneys’ fees. If an award is made against any individual Party in excess of \$100,000, exclusive of interest, arbitration fees, costs, and attorneys’ fees, it must be supported by written findings of fact, conclusions of law, and a statement as to how damages were calculated. Any claim in excess of 20% of the original Agreement amount or in excess of \$2,000,000 shall be subject to the jurisdiction of the Superior Court of Arizona, Yavapai County. Any Party may contest the validity of the amount claimed if an action is filed in the Superior Court.

H. Jurisdiction. The Arbitration Panel shall not be bound for jurisdictional purposes by the amount asserted in any Party’s claim, but shall conduct a preliminary hearing into the question of jurisdiction upon application of any Party at the earliest convenient time, but not later than the commencement of the arbitration hearing.

I. Entry of Judgment. Any Party can make application to the Yavapai County Superior Court for confirmation of an award, and for entry of judgment on it.

J. Severance and Joinder. To reduce the possibility of inconsistent adjudications, the Neutral Evaluator or the Arbitration Panel, may (1) at the request of any Party, join and/or sever Parties, and/or claims arising under other contracts containing this ADR provision, and (2) the Neutral Evaluator, on his own authority, or the Arbitration Panel may, on its own authority, join or sever Parties and/or claims subject to this ADR process as they deem necessary for a just resolution of the dispute, consistent with the Parties' goal of the prompt and efficient resolution of disputes; provided, however, that the Construction Manager, the Project Designers, and other Project professionals shall not be joined as a Party to any claim made by a Subcontractor. Nothing herein shall create the right by any Party to assert claims against another Party not germane to the Agreement or not recognized under the substantive law applicable to the dispute. Neither the Neutral Evaluator nor the Arbitration Panel is authorized to join to the proceeding Parties not in privity with the Town. The Construction Manager cannot be joined to any pending arbitration proceeding, without the Construction Manager's express written consent, unless the Construction Manager is given the opportunity to participate in the selection of the non-Town appointed arbitrator.

K. Appeal. Any party may appeal (1) errors of law by the Arbitration Panel if, but only if, the errors arise in an award in excess of \$100,000, (2) the exercise by the chairman or Arbitration Panel of any powers contrary to or inconsistent with this Agreement, or (3) on the basis of any of the grounds provided in ARIZ. REV. STAT. § 12-1512. Appeals shall be to the Yavapai County Superior Court within 15 Days of entry of the award. The standard of review in such cases shall be that applicable to the consideration of a motion for judgment notwithstanding the verdict, and the Yavapai County Superior Court shall have the authority to confirm, vacate, modify or remand an award appealed under this Section, but not to conduct a trial, entertain the introduction of new evidence or conduct a hearing *de novo*.

L. Uniform Arbitration Act. Except as otherwise provided herein, binding arbitration pursued under this provision shall be governed by the Uniform Arbitration Act as codified in Arizona in ARIZ. REV. STAT. §§ 12-1501, *et seq.*

M. Fees and Costs. Each Party shall bear its own fees and costs in connection with any informal hearing before the Neutral Evaluator. All fees and costs associated with any arbitration before the Arbitration Panel, including without limitation the Arbitration Panelists' fees, and the prevailing Party's reasonable attorneys' fees, expert witness fees, and costs, will be paid by the non-prevailing Party, except as provided for herein. In no event shall any Arbitrator's hourly fees be awarded in an amount in excess of \$200 per hour and (1) costs shall not include any travel expenses in excess of mileage at the rate paid by the Town, not to exceed a one-way trip of 150 miles, and (2) all travel expenses, including meals, shall be reimbursed pursuant to the travel policy of the Town in effect at the time of the hearing. The determination of prevailing and non-prevailing Parties, and the appropriate allocation of fees and costs, will be included in the award by the Arbitration Panel. Fees for the Neutral Evaluator shall be paid by the Town.

N. Confidentiality. Any proceeding initiated under ADR shall be deemed confidential to the maximum extent allowed by Arizona law and no Party shall, except for disclosures to a Party's attorneys or accountants, make any disclosure related to the disputed matter or to the outcome of any proceeding except to the extent required by law, or to seek interim equitable relief, or to enforce an agreement reached by the Parties or an award made hereunder.

O. Equitable Litigation. Notwithstanding any other provision of ADR to the contrary, any Party can petition the Yavapai County Superior Court for interim equitable relief as necessary to preserve the status quo and prevent immediate and irreparable harm to a Party or to the Project pending resolution of a dispute pursuant to ADR provided herein. No court may order any permanent injunctive

relief except as may be necessary to enforce an order entered by the Arbitration Panel. The fees and costs incurred in connection with any such equitable proceeding shall be determined and assessed in ADR.

P. Change Order. Any award in favor of the Construction Manager against the Town or in favor of the Town against the Construction Manager shall be reduced to a Change Order amendment to this Agreement and executed by the Parties in accordance with the award and the provisions of this Agreement.

Q. Merger and Bar. Any claim asserted pursuant to this ADR process shall be deemed to include all claims, demands, and requests for compensation for costs and losses or other relief, including the extension of the Agreement performance period which reasonably should have or could have been brought against any Party that was or could have been brought into this ADR process, with respect to the subject claim. The Arbitration Panel shall apply legal principles commonly known as merger and bar to deny any claim or claims against any Party regarding which claim or claims recovery has been sought or should have been sought in a previously adjudicated claim for an alleged cost, loss, breach, error, or omission.

R. Inclusion in Other Contracts. The Construction Manager shall cooperate with the Town in efforts to include this ADR provision in all other Project subcontracts. The Construction Manager agrees that any modification to this ADR provision that is included in the construction or other subcontracts shall also apply to the Construction Manager. It is the intent of the Parties that any changes to this ADR provision in later contracts will be evolutionary and designed to incorporate the terms of this ADR provision without material changes to the substance or procedure of this ADR provision.

ARTICLE 14 ADDITIONAL PROVISIONS

14.1 Confidentiality. The Construction Manager shall not disclose or permit the disclosure of any confidential information except to its agents, employees, and Subcontractors who need such confidential information to properly perform their duties relative to this Agreement.

14.2 Limitation and Assignment. The Town and the Construction Manager each bind themselves, their successors, assigns, and legal representatives to the terms of this Agreement. Neither the Town nor the Construction Manager shall assign or transfer its interest in this Agreement without the written consent of the other, except that the Construction Manager may assign accounts receivable to a commercial bank for securing loans without approval of the Town. Nothing contained in this Section shall prevent the Construction Manager from employing such consultants, associates, or Subcontractors as the Construction Manager may deem appropriate to assist in performance of the Services hereunder.

14.3 Entire Agreement. This Agreement represents the entire and integrated agreement between the Town and the Construction Manager and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Town and the Construction Manager. Nothing contained in this Agreement is intended to benefit any third party. Subcontractors, if any, and the Project Designers are not intended third-party beneficiaries of this Agreement.

14.4 Severability. If any provision of this Agreement or the application of the same is, to any extent, held as a matter of law to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement, or the application of that provision to circumstances other than those under which it has been held invalid or unenforceable, shall not be affected, and each remaining provision of this Agreement shall be interpreted as if it had been executed by both Parties subsequent to the expungement or judicial modification of the invalid or unenforceable provision.

14.5 Meaning of Terms. References made in the singular shall include the plural and the masculine shall include the feminine or neuter.

14.6 Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the Party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, or (C) given to a recognized and reputable overnight delivery service, to the address set forth below, or at such other address, and to the attention of such other person or officer, as any Party may designate in writing by notice duly given pursuant to this Section:

If to the Town:	Town of Chino Valley 202 North State Route 89 Chino Valley, Arizona 86323 Attn: Terri Denemy, Town Manager
With copy to:	Gust Rosenfeld, P.L.C. One East Washington Street, Suite 1600 Phoenix, Arizona 85004-2553 Attn: Andrew McGuire
If to Project Designers:	Pacific Advanced Civil Engineering, Inc. 8723 E. Via de Commercio, #A-204 Scottsdale, AZ 85258 Attn: James A. Matthews, Sr. VP - Environmental Water Division
If to Construction Manager:	Felix Construction Company 2530 S. 52nd Ave. Phoenix, AZ 85043 Attn: David Giannetto, C.E.O.

Notices shall be deemed received (A) when delivered to the Party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage, or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a Party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a Party shall mean and refer to the date on which the Party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

14.7 Governing Law. This Agreement shall be governed by the laws of the State of Arizona and venue shall be in Yavapai County.

14.8 No Waiver of Performance. The failure of either Party to insist, in any one or more instances, on the performance of any of the terms, covenants, or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, condition, or right with respect to further performance.

14.9 Headings. The headings given to any of the provisions of this Agreement are for ease of reference only and shall not be relied upon or cited for any other purpose.

14.10 Asbestos Free Materials. The Project is to be constructed by the Construction Manager with asbestos-free materials. A written, notarized statement on company letterhead shall be submitted to the Town by the Construction Manager with the final payment request certifying that the Construction Manager has incorporated no asbestos material into the Project. Final payment shall be withheld until such statement is submitted. The Construction Manager shall agree that if materials containing asbestos are subsequently discovered at any future time to have been included in the construction done by the Construction Manager or any of its Subcontractors or agents and were not specified in the design or required by the Contract Documents, the Construction Manager shall be liable for all costs related to the abatement of such asbestos and damages or claims against the Town notwithstanding any statute of limitations or other legal bar to any claim by the Town.

14.11 Cancellation. This Agreement may be canceled by the Town pursuant to ARIZ. REV. STAT. § 38-511.

14.12 Survival of Representations and Warranties. Notwithstanding any other provision of this Agreement, the representations, warranties, and covenants herein shall survive termination of this Agreement.

14.13 Endangered Hardwoods Prohibited. The Construction Manager shall ensure that products containing endangered wood species shall not be utilized in the construction of the Project unless exempted pursuant to ARIZ. REV. STAT. § 34-201(J), as amended.

14.14 Records and Audit Rights. The Construction Manager's and its Subcontractors' books, records, correspondence, accounting procedures, and practices, and any other supporting evidence relating to this Agreement, including the papers of any of the Construction Manager's and its Subcontractors' employees who perform any work or Services pursuant to this Agreement to ensure that the Construction Manager and its Subcontractors are complying with the warranty under Section 14.15 below (all the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on Construction Manager's and its Subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement, and (B) evaluation of the Construction Manager's and its Subcontractors' compliance with the Arizona employer sanctions laws referenced in Section 14.15 below. To the extent necessary for the Town to audit Records as set forth in this Section, the Construction Manager and its Subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its Subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to the Construction Manager pursuant to this Agreement. The Construction Manager and its Subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this Section. The Town shall give the Construction Manager or its Subcontractors reasonable advance notice of intended audits. The Construction Manager shall require its Subcontractors to comply with the provisions of this Section by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

14.15 E-Verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Construction Manager and its Subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and compliance with the E-Verify requirements under ARIZ. REV. STAT. § 23-214(A). The Construction Manager's or its Subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

14.16 Israel. The Construction Manager certifies that it is not currently engaged in, and agrees for the duration of this Agreement that it will not engage in, a “boycott” of Israel, as that term is defined in ARIZ. REV. STAT. § 35-393.

14.17 Independent Contractor. The Construction Manager is and will be an independent contractor and whatever measure of control the Town exercises over the work or deliverable pursuant to the Agreement will be as to the results of the work only. No provision in this Agreement will give or be construed to give the Town the right to direct the Construction Manager as to the details of accomplishing the work or deliverable. These results will comply with all Applicable Laws and ordinances.

14.18 Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town’s then-current fiscal year. The Town’s obligations under this Agreement are current expenses subject to the “budget law” and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Board elect not to appropriate and budget funds to pay the Town’s obligations under this Agreement, this Agreement shall be deemed terminated at the end of the then-current fiscal year for which such funds were appropriated and budgeted for such purpose and the Town shall be relieved of any subsequent obligation under this Agreement. The Parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town’s obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Board shall be the sole judge and authority in determining the availability of funds for the Town’s obligations under this Agreement. The Town shall keep the Construction Manager informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. The Construction Manager hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town’s termination of this Agreement pursuant to this Section.

14.19 Forced Labor of Ethnic Uyghurs. To the extent applicable under ARIZ. REV. STAT. § 35-394, the Construction Manager certifies that it does not, and will not for the duration of this Agreement, use the forced labor, any goods or services produced by the forced labor, or 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.

14.20 Provisions Required by Law. This Agreement shall be read and enforced as though every provision of law and any clause required by law to be included in or excluded from this Agreement were included or excluded herein. If, due to mistake or otherwise, any such provision is either not included or included incorrectly, or is not excluded or excluded incorrectly, then, upon the request of either Party, and subject to final approval by the Town in its sole and absolute discretion, the Parties will promptly amend this Agreement to make such insertion, deletion, or correction.

14.21 Federally Funded Project Requirements. The Project is funded, in whole or in part, with funds from a federal source. The Construction Manager shall adhere to all applicable federal terms, conditions, and other requirements applicable to such funding, including but not limited to those attached to this Agreement as Exhibit M, all of which are incorporated as though fully set forth herein (the “Federal Funded Project Requirements”). If the federal terms, conditions, or other requirements applicable to the funds involved in this Agreement change, whether by law or executive order, so that the Federal Funding Requirements no longer accurately reflect the conditions imposed on the federal funding for this Agreement, then, upon the request of either Party and subject to approval by the Town in its sole and absolute discretion, this Agreement shall be read and enforced as though every funding requirement required to be included in or excluded from this Agreement were included or excluded herein, and the Parties must promptly amend this Agreement as needed.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first set forth above.

“Town”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

Tom Armstrong, Mayor

ATTEST:

Erin Deskins, Town Clerk

APPROVED AS TO FORM:

Gust Rosenfeld, PLC, Town Attorney
By: Andrew McGuire

“Construction Manager”

FELIX CONSTRUCTION COMPANY, INC.,
an Arizona corporation

David Giannetto - Principal & CEO

EXHIBIT A
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Construction Documents]

See following pages.

EXHIBIT B
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Amendments]

See following pages.

EXHIBIT C
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[GMP Proposals]

See following pages.

EXHIBIT D
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Master Schedule]

See following pages.

EXHIBIT E
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Town's RFQ]

See following pages.

EXHIBIT F
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Construction Manager's Response to the RFQ]

See following pages.

EXHIBIT G
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Traffic Control/Construction Sequencing]

See following pages.

EXHIBIT H
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Allowable General Conditions Cost Line Items]

See following page.

ALLOWABLE GENERAL CONDITIONS COST LINE ITEMS

On-Site Project Management Staff

Safety Coordinator/Assistant(s)

Project Executive

Office Engineer(s)

Project Expeditor(s)

Assistant Superintendent(s)

CPM Scheduler

Superintendent(s)

Project Manager(s)

Project Support Staff

Out-of-State Project Specific Travel*

Bonds and Insurance

Builder's Risk Insurance

General Liability Insurance

Payment and Performance Bonds

Other Project Insurance as Required by Contract

Temporary Project Utilities

Non-LEED Recycling Dumpsters

Project Electricity

Monthly Telephone / Internet Service

Street Rental and Barricades

Fencing and Covered Walkways

Site Erosion Control (BMP) and Project

Entrance(s)

Temporary Toilets

Temporary Fire Protection

Telephone / Internet System Installation

Temporary Water Distribution and Meters

Temporary Electrical Distribution and Meters

Project Water, Ice, and Supplements to Prevent

Dehydration

Field Offices & Office Supplies

Partnering Costs

Job Photos/Videos

Project Specific Signage

Postage/Special Shipping

Project/As-Built (Record) Drawings

Project Milestone Event(s)*

Move-In/Out and Office Setup

Employee Identification System

Small Tools and Storage Trailers

Monthly Office Trailer Rental Costs

Mobilization/Demobilization (Equipment Only)

First Aid Supplies

Reproduction Services

Monthly Office Supplies

Remote Parking Expenses

Project Reference Manuals

Security System/Watchman

Safety Material and Equipment

Drinking Water and Accessories (Including Ice)

Office Clean-Up/Janitorial Services

Field Engineering

* Specific justification and all estimated costs shall be submitted and approved by the Town prior to any travel or event.

EXHIBIT I
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Preconstruction Cost Summary]

See following pages.

EXHIBIT J
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Performance Bond]

See following page.

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT, _____ (hereinafter called Principal), as Principal, and _____, a corporation organized and existing under the laws of the State of _____, with its principal office at _____ (hereinafter called the Surety), as Surety, are held and firmly bound unto the Town of Chino Valley (hereinafter called the Obligee) in the amount of _____ (Dollars) (\$ _____), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written Contract with the Obligee, dated the _____ day of _____ 20____, for the material, service or construction described as _____ is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal faithfully performs and fulfills all of the undertakings, covenants, terms, conditions and agreements of the Contract during the original term of the Contract and any extension of the Contract, with or without notice to the Surety, and during the life of any guaranty required under the Contract, and also performs and fulfills all of the undertakings, covenants, terms, conditions and agreements of all duly authorized modifications of the Contract that may hereafter be made, notice of which modifications to the surety being hereby waived, the above obligation is void. Otherwise it remains in full force and effect.

PROVIDED, however, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, to the extent as if it were copied at length in this agreement.

The prevailing party in a suit on this bond shall recover as part of the judgment reasonable attorney fees that may be fixed by a judge of the Court.

Witness our hands this _____ day of _____ 20____.

Principal: _____ Seal: _____

By: _____

Surety: _____ Seal: _____

By: _____

Agency of Record: _____

EXHIBIT K
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Payment Bond]

See following page.

PAYMENT BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT, _____ (hereinafter called Principal), as Principal, and _____, a corporation organized and existing under the laws of the State of _____, with its principal office at _____ (hereinafter called the Surety), as Surety, are held and firmly bound unto the Town of Chino Valley (hereinafter called the Obligee) in the amount of _____ (Dollars) (\$ _____), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written Contract with the Obligee, dated the _____ day of _____ 20____, for the material, service or construction described as _____ which Contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal promptly pays all monies due to all persons supplying labor or materials to the Principal or the Principal's Subcontractors in the prosecution of the Work provided for in the Contract, this obligation is void. Otherwise it remains in full force and effect.

PROVIDED, however, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions, conditions and limitations of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, to the same extent as if they were copied at length in this agreement.

The prevailing party in a suit on this bond shall recover as a part of the judgment reasonable attorney fees that may be fixed by a judge of the Court.

Witness our hands this _____ day of _____, 20____.

Principal:_____ Seal:_____

By:_____

Surety:_____ Seal:_____

By:_____

Agency of Record:_____

EXHIBIT L
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Lien Release]

See following pages.

EXHIBIT M
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Federally Funded Project Requirements]

See following pages.



**Town of Chino Valley
Public Works Department**

REQUEST FOR QUALIFICATIONS

Town of Chino Valley
Public Works Department
1982 Voss Drive
Chino Valley, Arizona 86323

SOLICITATION INFORMATION AND SCHEDULE

Solicitation Title:	RFQ for Construction Manager at Risk (CMAR) for Construction Services for the Chino Valley Water Reclamation Facility Improvements Project	
Solicitation Number:	2024-0029	
Release:	Tuesday, December 17, 2024	
Advertisements:	December 17 - 20, 2024, via Prescott Daily Courier (newspaper)	
Non-Mandatory Pre-Submittal Conference:	Tuesday, January 7, 2025, at 1:00 p.m., Public Works Conference Room, 1982 Voss Dr, Chino Valley, AZ 86323 and via Zoom (info below)	
Final Inquiries Due:	Tuesday, January 14, 2025, at 5:00 p.m.	
SOQ Due:	Tuesday, January 28, 2025, at 2:00 p.m.	
Oral Interviews Shortlist Announced (if needed):	Tuesday, February 11, 2025 (Tentative)	
Oral Interviews (if needed):	Tuesday, February 25, 2025 (Tentative)	
Target Town Council Award:	Tuesday, March 25, 2025, at 6:00 PM	
Anticipated Agreement Start:	April 14, 2025	
RFQ Administrator(s):	Jesse Holyfield jholyfield@chinoaz.net 928-636-7140	Mark Holmes, P.G. Mark.holmes.llc@gmail.com 928-277-5253
Pre-Submittal Zoom Info	https://us02web.zoom.us/j/6479178814?pwd=aFNZm8lLJ2pcnD5vVHpJQRbu6glo5u.1&omn=82966765644	

Meeting ID 647 917 8814
Passcode: 2021982
Phone Audio 877-853-5247 (Toll Free)



Town of Chino Valley Public Works Department

ATTENTION

- If a Vendor cannot be selected based solely on submitted SOQs, oral interviews may be conducted at the Town's sole discretion.
- The Town reserves the right to amend the solicitation schedule as necessary.
- All times are local to Chino Valley, Arizona.

TABLE OF CONTENTS

<u>Section A</u>		<u>Page</u>
Part 1	Purpose; RFQ Process; Award of Agreement	A-1
Part 2	Statement of Qualifications Format; Scoring	A-5
Part 3	Oral Interviews; Scoring	A-8
Part 4	Vendor Information Form	A-9
<u>Section B</u>		
Sample Construction Manager at Risk Agreement		
<u>Section C</u>		
30% Conceptual Design Plans – Water Reclamation Facility Improvements		

PART 1. PURPOSE; RFQ PROCESS; AWARD OF AGREEMENT

1.1 Purpose. The Town of Chino Valley (the “Town”) owns and operates the Chino Valley Water Reclamation Facility for treatment of municipal wastewater generated within a portion of Town limits. Certain flow equalization and process improvements are required for the facility to treat the current influent flow and loading conditions to the existing limits and recover its rated capacity. The Town is issuing this Request For Qualifications (this “RFQ”) seeking statements of qualifications (“SOQ”) from qualified, licensed firms (“Vendors”) interested in providing professional construction manager at risk construction services for design phase review and construction of the Chino Valley Water Reclamation Facility Improvements Project (the “Services”), as more particularly described in the sample Construction Manager at Risk Agreement included in Section B of this RFQ (the “Scope of Work”). 30% conceptual design plans are included in Section C of this RFQ. In accordance with the Town’s Procurement Policy, the Town will accept sealed SOQ for the Services specified in the Scope of Work.

1.2 Preparation/Submission of SOQ. Vendors are invited to participate in the competitive selection process for the Services outlined in this RFQ. Responding parties shall review their SOQ submissions to ensure the following requirements are met.

A. Irregular or Non-responsive SOQ. The Town may consider as “irregular” or “non-responsive” and reject any SOQ not prepared and submitted in accordance with this RFQ, or any SOQ lacking sufficient information to enable the Town to make a reasonable determination of compliance with the minimum qualifications. Unauthorized conditions, limitations, or provisions may be cause for rejection. An SOQ may be deemed non-responsive at any time during the evaluation process if, in the sole opinion of the Town, any of the following are true:

- (1) The Vendor does not meet the minimum required skill, experience, or requirements to perform or provide the Services.
- (2) The Vendor has a past record of failing to fully perform or fulfill contractual obligations.
- (3) The Vendor cannot demonstrate financial stability.
- (4) The Vendor’s SOQ contains false, inaccurate, or misleading statements that, in the opinion of the Town Manager or authorized designee, are intended to mislead the Town in its evaluation of the SOQ.

B. Submittal Quantities. Interested Vendors must submit **four hardcopy originals** and **one PDF copy** of the SOQ on a thumb drive or similar portable storage device. The PDF copy must be in one electronic file. Failure to adhere to the submittal quantity criteria shall result in the SOQ being deemed non-responsive.

C. Required Submittal. The SOQ shall be a maximum of **25 pages** to address the SOQ criteria (excluding cover letter, resumes, and the Vendor Information Form, but including the materials necessary to address project understanding, general information, organizational chart, photos, tables, graphs, and diagrams). Each page side (maximum 8 1/2” x 11”) with criteria information shall be counted. However, one page may be substituted with an 11” x 17” sheet of paper, folded to 8 1/2” x 11,” showing a proposed project schedule or organizational chart and only having information on one side. A cover, back, table of contents, and tabs may be used and shall not be included in the page count unless they include additional project-specific information or SOQ criteria responses. Vendors are encouraged to utilize recyclable materials and endeavor to be considerate of the environment in preparation of SOQs. The

minimum allowable font for the SOQ is 11 pt, Arial or Times New Roman. Failure to adhere to the page limit, size, and font criteria shall result in the SOQ being deemed non-responsive. Each SOQ shall be submitted with the documents necessary to meet all of the requirements of this solicitation, including the information required in Part 2 below and the following:

- (1) Cover letter with an **original ink or secure electronic signature** by a person authorized to bind the Vendor. SOQs submitted without a cover letter with an **original ink or secure electronic signature** by a person authorized to bind the Vendor may be determined non-responsive.
- (2) Vendor Information Form, with **original ink or secure electronic signature**.
- (3) References.
- (4) Project Schedule, if required by the Town prior to the submittal deadline.
- (5) Resumes, Licenses, and Certifications (if required for the Services).
- (6) Acknowledgment page, with an **original ink or secure electronic signature**, for any Addendum received.

D. Vendor Responsibilities. All Vendors shall (1) examine the entire RFQ, (2) seek clarification of any item or requirement that may not be clear, (3) check all responses for accuracy before submitting an SOQ, and (4) submit the entire SOQ by the SOQ Due Date and Time. A late SOQ will not be accepted. A Vendor submitting a late SOQ shall be so notified.

E. Sealed Submittals. All SOQs shall be sealed and clearly marked with the SOQ title, **SOQ for Construction Manager at Risk for the Chino Valley Water Reclamation Facility Improvements Project**, on the lower left-hand corner of the mailing envelope. A return address must also appear on the outside of the sealed SOQ. The Town is not responsible for the pre-opening of, post-opening of, or the failure to open, any SOQs not properly addressed or identified.

F. Address. All SOQs shall be directed to the following address: Town Clerk, 202 North State Route 89, Chino Valley, Arizona 86323. SOQs must be received in the Town Clerk's office by the SOQ Due Date and Time indicated on the cover page of this RFQ. Telegraphic (facsimile), electronic (e-mail), or mailgram SOQs will not be considered.

G. Pricing Errors. If price is a consideration and in case of error in the extension of prices in the SOQ, the unit price shall govern. Periods of time, stated as number of days, shall be calendar days.

H. SOQ Irrevocable. To allow for an adequate evaluation, the Town requires the SOQ to be valid and irrevocable for **120 days** after the SOQ Due Date and Time indicated on the cover of this RFQ.

I. Amendment/Withdrawal of SOQ. At any time prior to the specified SOQ Due Date and Time, a Vendor (or designated representative) may amend or withdraw its SOQ. Any erasures, interlineations, or other modifications in the SOQ shall be initialed in **original ink (or secure electronic alternative)** by the authorized person signing the SOQ. Facsimile, electronic (e-mail), or mailgram SOQ

amendments or withdrawals will not be considered. No SOQ shall be altered, amended, or withdrawn after the specified SOQ Due Date and Time.

1.3 Cost of SOQ Preparation. The Town does not reimburse the cost of developing, presenting, or providing any response to this solicitation. An SOQ submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner. The Vendor is responsible for all costs incurred in responding to this RFQ. All materials and documents submitted in response to this RFQ become the property of the Town and will not be returned.

1.4 Inquiries.

A. Written Inquiries. Any question related to the RFQ, including any part of the Scope of Work, shall be directed only to the RFQ Administrator(s) listed on the cover page of this RFQ. Questions shall be submitted in writing, via e-mail, or hard copy by the date indicated on the cover page of this RFQ. Any correspondence related to the RFQ shall refer to the pertinent title, page, and paragraph. However, the Vendor shall not place the RFQ title on the outside of any envelope containing questions because such an envelope may be identified as a sealed submittal and may not be opened until the SOQ Due Date and Time. Any Vendor found to be communicating with any member of Town staff about this solicitation except as expressly set forth herein shall be prohibited from submitting an SOQ, or if an SOQ is received, such SOQ shall be deemed non-responsive.

B. Inquiries Answered. All inquiries must be directed to the RFQ Administrator(s) in writing as described in Subsection 1.4(A) above. Verbal or telephone inquiries **will not be answered**, and Vendors attempting to do so will be directed to submit written inquiries. The RFQ Administrator(s) shall provide a compilation of all questions received in writing with official answers that will be made available on the Town's website at chinoaz.net/Bids.aspx. The RFQ Administrator(s) shall endeavor to post the compilation not later than five days after the inquiry deadline.

C. Pre-Submittal Conference. A Pre-Submittal Conference may be held. If scheduled, the date and time of this conference will be indicated on the cover page of this RFQ. If the Pre-Submittal Conference is designated as mandatory, failure to attend shall render the absent Vendor's SOQ non-responsive. Vendors are strongly encouraged to attend the Pre-Submittal Conference, even if designated as non-mandatory. The purpose of this conference will be to clarify the contents of this RFQ to prevent any misunderstanding of the Town's requirements. Any doubt as to the requirements of this RFQ or any apparent omission or discrepancy should be presented to the Town at this conference. The Town may issue a written addendum to this RFQ. Oral statements or instructions are provided for informational purposes only and do not become a part of this RFQ. Any change to the RFQ shall be made in the form of an addendum.

1.5 Addenda. Any addendum issued as a result of any change in this RFQ shall become part of the RFQ and must be acknowledged in the SOQ submittal. Failure to indicate receipt of the addendum will result in the SOQ being rejected as non-responsive. It shall be the Vendor's responsibility to check for addenda issued to this RFQ. Any addendum issued by the Town with respect to this RFQ will be posted on the Town's procurement website at chinoaz.net/Bids.aspx.

1.6 Public Record. All SOQ shall become the property of the Town and shall become a matter of public record available for review, subsequent to the award notification, in accordance with the Town's Procurement Policy.

1.7 Confidential Information. If a Vendor believes that an SOQ or protest contains information that should be withheld from the public record, the Vendor shall include in the submission a statement

advising the RFQ Administrator(s) of this fact, and the information shall be clearly identified. Blanket statements that the entire SOQ submittal is confidential will not be considered, and the submittal may be rejected as non-responsive. The information identified by the Vendor as confidential shall not be disclosed until the Town Manager or authorized designee makes a written determination. The Town Manager, or an authorized designee, shall review the statement and information with the Town Attorney and shall determine in writing whether the information shall be withheld. If the Town Attorney determines that it is proper to disclose the information, the RFQ Administrator(s) shall inform the Vendor in writing of such determination.

1.8 Vendor Licensing and Registration. Prior to the award of the Agreement, the successful Vendor shall be registered with the Arizona Corporation Commission and authorized to do business in Arizona. The Vendor shall provide licensure information with the SOQ. Corporations and limited liability companies shall be able to provide a Certificate of Good Standing from the Arizona Corporation Commission.

1.9 Certification. By submitting an SOQ, the Vendor certifies:

A. No Collusion. The submission of the SOQ did not involve collusion or other anti-competitive practices.

B. No Discrimination. It shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246.

C. No Gratuity. It has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip favor, or service to a Town employee, officer, or agent in connection with the submitted SOQ. It (including the Vendor's employees, representatives, agents, lobbyists, attorneys, and subcontractors) has refrained, under penalty of disqualification, from direct or indirect contact for the purpose of influencing the selection or creating bias in the selection process with any person who may play a part in the selection process, including the Selection Committee described below, elected officials, the Town Manager, Department Heads, and other Town staff. All inquiries must be addressed to the Town's RFQ Administrator. Any attempt to influence the selection process by any means shall void the submitted SOQ and any resulting Agreement.

D. Financial Stability. It is financially stable, solvent, and has adequate cash reserves to meet all financial obligations, including any potential costs resulting from an award of the Agreement.

E. No Signature/False or Misleading Statement. The signature on the cover letter of the SOQ and the Vendor Information Form is genuine, and the person signing has the authority to bind the Vendor. Failure to sign the cover letter and the Vendor Information Form, or signing either with a false or misleading statement, shall void the submitted SOQ and any resulting Agreement.

F. Sample Agreement. In addition to reviewing and understanding the submittal requirements, it has reviewed the attached sample Construction Manager at Risk Agreement, including all Exhibits, located in Section B of this RFQ.

(1) This project may include federal funding. If it does, certain federally funded project requirements will apply. An example of such requirements is included in the sample Construction Manager at Risk Agreement located in Section B of this RFQ. Additional program terms and conditions may apply.

1.10 Award of Agreement.

A. Evaluation; Selection. Representatives from the Town (the “Selection Committee”) will conduct the selection process according to the schedule on the cover page of this RFQ. The Selection Committee will create a final ranking of the Vendors based on its evaluation of (1) the SOQ, (2) information provided by references, and (3) criteria outlined in this RFQ. If necessary, the Selection Committee may select up to three finalists who will be invited for oral interviews with the Selection Committee. The Town will conduct the oral interviews with the selected Vendors and upon completion of the final tabulation of points for scored components, will create a final list, in order of preference, of the three most qualified Vendors. The RFQ Administrator(s) will enter negotiations with the highest-scoring Vendor from the final list; if an agreement cannot be reached, the RFQ Administrator(s) will enter negotiations with the next highest-scoring Vendor until an agreement is reached.

B. Multiple Award. The Town, at its sole discretion, may elect to enter into Agreements with multiple Vendors who are qualified to provide the Services. The final terms and conditions of the proposed agreement will be negotiated by the Town with the successful Vendor(s).

C. Form of Agreement. The selected Vendor will be required to execute the Town’s standard Construction Manager at Risk Agreement in a form acceptable to the Town Attorney. A sample of the Town’s standard Construction Manager at Risk Agreement is included in Section B of this RFQ.

D. Waiver; Rejection; Reissuance. Notwithstanding any other provision of this RFQ, the Town expressly reserves the right to (1) waive any immaterial defect or informality, (2) reject any or all SOQ or portions thereof, and (3) cancel or reissue this RFQ.

E. Protests. Any Vendor may protest this RFQ, the proposed award of an Agreement, or the actual award of an Agreement. All protests will be considered in accordance with the Town Procurement Policy.

1.11 Offer. An SOQ submittal is an offer to contract with the Town based upon the terms, conditions, and specifications contained in this RFQ, the attached Construction Manager at Risk Agreement, and the Vendor’s responsive SOQ, unless any of the terms, conditions, or specifications are modified by a written addendum or agreement amendment. Provided, however, that no contractual relationship shall be established until the Vendor has signed, and the Town has approved, a construction manager at risk agreement between the Town and the Vendor in the form acceptable to the Town Attorney.

PART 2. STATEMENT OF QUALIFICATIONS FORMAT; SCORING

2.1 Evaluation Process. Each submittal will be reviewed for compliance with the submittal requirements and scored by the Selection Committee. The Selection Committee shall determine if the selection can be made on the basis of the written materials only, or if oral interviews are necessary with up to three of the highest-ranked Vendors based upon the SOQ submittal scoring.

2.2 SOQ Format and Scoring. The SOQ shall be organized and submitted in the format outlined below. Failure to conform to the designated format, standards, and minimum requirements shall result in a determination that the SOQ is non-responsive. Additionally, the Selection Committee will evaluate and award points to each SOQ based upon the evaluation criteria as outlined in this document. Points listed below are the maximum number of points possible for each criterion and not the minimum number that the Selection Committee may award.

A. General Information - 10 pts.

(1) One-page cover letter as described in Part 1, Subsection 1.2(C) (Required Submittal).

(2) Provide Vendor identification information. Explain the Vendor's legal organization, including its legal name, address, identification number, and form (e.g., partnership, corporation, joint venture, limited liability company, sole proprietorship). If a joint venture, identify the members of the joint venture and provide all of the information required under this section for each member. If a limited liability company, provide the name of the member or members authorized to act on the company's behalf. If the Vendor is a wholly owned subsidiary of another company, identify the parent company. If the corporation is a nonprofit corporation, provide nonprofit documentation. Provide the name, address, and telephone number of the person to contact concerning the SOQ.

(3) Identify the location of the Vendor's principal office and the local work office, if different. Include any documentation that supports its authority to provide services in Arizona.

(4) List the Arizona professional and contractor licenses held by the Vendor or individuals who will be assigned to this project. Provide the license numbers and expiration dates, if applicable. The Vendor need not be licensed, but the person or firm actually performing construction services on behalf of the Vendor must be currently, and have been for at least one year immediately prior, a licensed general contractor in the State of Arizona.

(5) Provide a general description of the Vendor proposing to provide the Services, including years in business.

(6) Identify any contract or subcontract held by the Vendor or its officers that has been terminated, and any claims arising from a contract involving the Vendor or its officers that resulted in litigation or arbitration, within the last five years. Briefly describe the circumstances and the outcomes.

(7) Provide a statement from an AM Best, Inc. rating of A or better surety company to the Vendor's bonding capacity. Unless otherwise required by Arizona public records laws, this information will be confidential. It will not be made part of the public record and will be returned.

(8) Emergency Modification Rate (EMR) for years 2021, 2022, and 2023.

(9) Vendor Information Form, with an **original ink or secure electronic signature** (may be attached as a separate appendix).

B. Experience and Qualifications of the Vendor - 40 pts.

(1) Provide a detailed description of the Vendor's experience in providing similar services to municipalities or other entities of a comparable size to the Town; specifically relating experience with respect to improving existing water reclamation facilities and their processes.

(2) The Vendor must demonstrate successful completion of at least three similar projects within the past 60 months. "Successful completion" means completion of a project within the established schedule and budget, and "similar projects" resemble this project in size, nature, and scope. Provide a list of at least three organizations for which you successfully completed a similar project. Each entry on the list shall include, at a minimum, the following information:

- (a) Company/organization name.
- (b) Two references, including their names, addresses, phone numbers, and e-mail addresses.
- (c) Project description and types of services provided per phase.
- (d) Vendor's role as either Construction Manager at Risk, Construction Manager, or General Contractor. If CMAR or GC, identify the percent of work self-performed.
- (e) Dates of contract initiation and expiration.

These references will be checked, and it is the Vendor's responsibility to ensure that all information is accurate and current. The Vendor authorizes the RFQ Administrator(s) to verify all information from these references and releases all those concerned from any liability in connection with the information they provide. The inability of the Town to verify references may result in the SOQ being considered non-responsive.

(3) If applicable, list all projects from the last five years for which the Vendor provided either design services, agency construction management, or general construction services for the Town, whether completed or ongoing.

(4) The RFQ Administrator(s) may conduct any investigation deemed necessary to determine the Vendor's ability to perform the project. Vendors may be requested to submit additional documentation within 72 hours (or as specified) to assist the Town in its evaluation.

C. Key Positions - 15 pts.

(1) Identify each key personnel member that will render services to the Town, including title and relevant experience required, including the proposed project manager and project staff.

(2) Indicate the roles and responsibilities of each key position. Include senior members of the Vendor only from the perspective of what their role will be in providing services to the Town.

(3) If a subcontractor will be used for all work of a certain type, include information on this subcontractor. A detailed plan for providing supervision must be included.

(4) Attach a resume, identify professional registrations, certifications, or contractor licenses held, if any, and provide evidence thereof for each key personnel member and/or subcontractor to be involved in this project. Resumes should be attached together as a single

appendix at the end of the SOQ and will not count toward the SOQ page limit. However, each resume shall not exceed two pages in length.

(5) Identify the home office location of key staff on this project, their length of time with the Vendor, and the percent of their work expected to be done locally.

D. Project Understanding and Approach - 30 pts.

(1) Describe the Vendor's project management approach, team organization during pre-construction and construction phase services, and approach to performing the required Services in the Scope of Work described in the sample Construction Manager at Risk Agreement.

(2) Discuss any significant issues the Vendor has identified in this project and explain how the Vendor plans to address them.

(3) Include a subcontractor selection plan detailing the Vendor's approach to selecting subcontractors. Subcontractors must be selected based on qualifications alone or a combination of qualifications and price, but not on price alone.

(4) Describe systems used for planning, scheduling, estimating, and managing construction. Briefly describe the firm's experience in quality control, dispute resolution, and safety management.

E. Project Schedule - 5 pts.

(1) Submit copies of a CPM and Construction Progress Schedule (both the baseline schedule and the final completed schedule) for a previous project similar to this project. Identify all assumptions used in developing the schedule.

Total Points Possible for this SOQ Submittal:	100
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PART 3. ORAL INTERVIEWS; SCORING

3.1 In the event that a Vendor cannot be selected based solely on the SOQ submitted, up to three Vendors may be selected for oral interviews. The selected Vendors will be invited to participate in discussions with the Selection Committee on the date indicated on the cover page of this RFQ and awarded points based upon the criteria as outlined below. Vendors may be given additional information for these oral interviews.

A. Experience and Qualifications of the Vendor – 20 pts.

B. Key Positions – 40 pts.

C. Project Approach – 40 pts.

Total Points Possible for this Oral Interview:	100
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Total Points Possible for this RFQ:	200
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PART 4. VENDOR INFORMATION FORM

By submitting an SOQ, the submitting Vendor certifies that it has reviewed the administrative information and the sample Construction Manager at Risk Agreement's terms and conditions and, if awarded the Agreement, agrees to be bound thereto.

VENDOR SUBMITTING SOQ

FEDERAL TAX ID NUMBER

PRINTED NAME AND TITLE

AUTHORIZED SIGNATURE

ADDRESS

TELEPHONE

FAX #

CITY

STATE

ZIP

DATE

WEBSITE

E-MAIL

ARIZONA CORPORATION COMMISSION FILE NO.

SMALL, MINORITY, DISADVANTAGED AND WOMEN-OWNED BUSINESS ENTERPRISES
(check item(s) as appropriate):

_____ Small Business Enterprise (SBE)

_____ Minority Business Enterprise (MBE)

_____ Disadvantaged Business Enterprise (DBE)

_____ Women-Owned Business Enterprise (WBE)

Has the Vendor been certified by any jurisdiction in Arizona as a minority or woman-owned business enterprise?

If yes, please include details and documentation of the certification.



TOWN OF CHINO VALLEY

ADDENDUM NO. 1

12/30/24

**RFQ – Construction Manager at Risk (CMAR) for Construction Services for the
Chino Valley Water Reclamation Facility Improvements Project**

Solicitation #: 2024-0029

SOQ Due Date: January 28, 2025

Time: 2:00 P.M., Local Time

Place: Town Clerk's Office
202 North State Route 89
Chino Valley, AZ 86323

Make all revisions to the request for qualifications document stated herein. Insofar as the original request for qualifications are at variance with this Addendum, the Addendum shall govern.

This Addendum consists of 1 page(s).

RFQ Changes:

1. Cover Sheet, Non-Mandatory Pre-Submittal Conference, **CHANGE** to Tuesday, January 7, 2025 at **10:00 a.m.**

BY 
Steven Sullivan, PE
Assistant Town Engineer

Date 12/30/24

ACKNOWLEDGEMENT OF ADDENDUM NO. 1

BY _____

Date _____



TOWN OF CHINO VALLEY

ADDENDUM NO. 2

01/15/2025

RFQ – Construction Manager at Risk (CMAR) for Construction Services for the Chino Valley Water Reclamation Facility Improvements Project

Solicitation #: 2024-0029
SOQ Due Date: January 28, 2025
Time: 2:00 P.M., Local Time
Place: Town Clerk's Office
202 North State Route 89
Chino Valley, AZ 86323

Make all revisions to the request for qualifications document stated herein. Insofar as the original request for qualifications are at variance with this Addendum, the Addendum shall govern.

This Addendum consists of 2 page(s).

RFI Responses:

1. **Q** - *Can we get a plant tour?*
A - The Town will offer a non-mandatory tour of the WRF, Tuesday, January 21, 2025 @ 10:00 am at the WRF (2190 Rodeo Dr, Chino Valley, AZ 86323) for all interested parties.
2. **Q** - *We have scheduling conflicts with the date selected for oral interviews so may we move potential schedule?*
A - As the indicated date is tentative, selected vendors for oral interviews will be scheduled in accordance with their availability and schedules.
3. **Q** - *What specifically will phase 1 focus on? What will phase 2 focus on?*
A - The project is still currently in the design phase and the preliminary phasing components are as follows:

The primary scope components within Phase 1 include the installation of new equalization (EQ) basins, a new EQ lift station, new sludge pumps, new sludge storage tanks, and offsite lift station canopy.

The primary scope components within Phase 2 include the installation of a new maintenance bed, the procurement of a new Vactor truck, the installation of a new redundant dewatering screw press, the replacement of the existing UV disinfection units, odor control units for both the Headworks Building and the Dewatering Room, and the completion of the PFAS Pilot study.

BY 
Steven Sullivan, PE
Assistant Town Engineer

Date 1/15/25

ACKNOWLEDGEMENT OF ADDENDUM NO. 2

BY _____

Date _____

SAMPLE CONSTRUCTION MANAGER AT RISK AGREEMENT

See following pages.

**CONSTRUCTION MANAGER AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND**

THIS CONSTRUCTION MANAGER AT RISK AGREEMENT (this "Agreement") is made _____, 20__, by and between the Town of Chino Valley, an Arizona municipal corporation (the "Town"), and [REDACTED], a(n) [State + type of agency] (the "Construction Manager"), for professional construction manager at risk construction services for design phase review and construction of improvements needed at the Chino Valley Water Reclamation Facility to treat the current influent flow and loading conditions to the existing limits and recover its rated capacity (the "Project"). The Town and the Construction Manager are referred to herein individually as a "Party" and collectively as the "Parties."

**ARTICLE 1
GENERAL**

1.1 Project Summary. The Construction Manager shall perform all pre-construction services set forth in Article 2 below (the "Pre-Construction Services") and, subject to Section 1.2 below, management and construction services set forth in Article 4 below (the "Construction Services") (the Pre-Construction Services and the Construction Services are collectively referred to as the "Services"), including providing all material, equipment, tools, and labor necessary to complete the Work (as defined below) described herein and reasonably inferable from the Contract Documents (as defined below), including the upgrades and improvements to be encompassed in the Project. The Construction Manager will also coordinate with and provide comments to [REDACTED] (the "Project Designers") to ensure that the Project design is constructible within the established budget.

1.2 Phased Agreement. The Services contemplated by this Agreement shall be carried out in several distinct phases. The initial Services shall be to provide Pre-Construction Services, including (A) such environmental investigation services as applicable pursuant to Section 2.1 below, (B) review of the Project Designers' Construction Documents pursuant to Section 2.2 below, and (C) the Pre-Construction Phase General Services, pursuant to Section 2.3 below (the "Pre-Construction Phase General Services"). The Construction Manager shall be compensated on an hourly basis, at the agreed-upon hourly rates and a stipulated not-to-exceed total fee, for the Pre-Construction Services as set forth in Section 7.1 below, provided that such services may extend through the construction phase for various components of the Project. At the point in the Pre-Construction Services as determined by the Town, the Town may, in its sole discretion, request that the Construction Manager submit a proposal for a guaranteed maximum price ("GMP") for construction of the Project, which may be submitted as a single GMP or as multiple GMPs at the Town's sole discretion. The Construction Manager shall prepare and submit the GMP Proposals pursuant to Article 3 below. If the Town and the Construction Manager agree upon the respective GMP Proposals, the Construction Manager shall furnish, with respect to each GMP Proposal (A) such environmental investigation services as applicable pursuant to Section 2.1 below, and (B) the Construction Services set forth in Article 4 below. If the Town and the Construction Manager cannot, after good faith efforts, agree on the GMP, the Town may, in its sole discretion, terminate this Agreement (subject to the terms and conditions set forth in Section 12.2 below).

1.3 Definitions.

A. “Additional Services” means services not initially included as part of the Work, but which are later identified as necessary or desirable by the Town, as more fully described in Section 4.17 below.

B. “Applicable Law” means any law, rule, code, regulation, requirement, action, determination, guideline, or order of, or any legal entitlement issued by, any governmental body having jurisdiction, applicable or relating to the design, permitting, construction, equipping, financing, ownership, possession, or any other transaction or matter contemplated hereby relating to the design and construction of the Project[, and includes the Federally Funded Project Requirements attached hereto as Exhibit M and incorporated herein by reference [IF APPLICABLE]].

C. “Change Order” means a contract amendment issued after execution of this Agreement or future GMP Amendments signed by the Town, Construction Manager, and other parties, as may be required or appropriate, agreeing to an addition, deletion, or revision in the scope of Work, an adjustment to the Contract Price, an adjustment to the Contract Time, or other modifications to Contract terms.

D. “Construction Documents” means the plans, Specifications, drawings, and special provisions prepared by the Project Designers after correcting for permit review requirements, and as approved by the Town. The Construction Documents, once approved by the Town as 100% complete, shall be attached hereto as Exhibit A and incorporated herein by reference.

E. “Construction Fee” means the portion of the Construction Manager’s compensation not related to Direct Construction Costs, as set forth in Section 3.4 below.

F. “Contract Documents” means all of the following:

1. Change Orders and written amendments to this Agreement, including the amendments, if any, relating to the respective GMPs (the “GMP Amendments”), signed by both the Town and the Construction Manager, attached hereto as Exhibit B, and incorporated herein by reference.

2. This Agreement.

3. The Construction Documents.

4. The Construction Manager’s Guaranteed Maximum Price Proposals (the “GMP Proposals”), attached hereto as Exhibit C and incorporated herein by reference, including but not limited to:

- a. The Construction Manager’s proposed scope of services and fee breakdown for each GMP Proposal (the “Scope”).

- b. The Master Schedule relating to the applicable Scope developed in accordance with Subsection 2.3(C) below and updated as set forth in this Agreement, attached hereto as Exhibit D and incorporated herein by reference.

5. The Town’s Request for Qualifications (the “RFQ”), attached hereto as Exhibit E and incorporated herein by reference.

6. The Construction Manager's response to the Town's RFQ, attached hereto as Exhibit F and incorporated herein by reference.

In case of any inconsistency, conflict, or ambiguity among the Contract Documents, the documents shall govern in the order in which they are listed above.

G. "Contract Price" means the total compensation to be paid to the Construction Manager, as more fully described in Article 7 below.

H. "Contract Time" means the Days, as set forth in Article 6 below, indicating the period of time, including authorized adjustments, allotted in the Contract Documents to achieve Substantial Completion of the Work.

I. "Cost Model" means the detailed cost information for the Project as described in Subsection 2.3(D) below.

J. "Cost of the Work" means the portion of Direct Construction Costs necessarily incurred by the Construction Manager in the proper performance of the Work as more specifically set forth in Subsection 3.3(B) below.

K. "Critical Path" means the sequence of activities from the start of the Work to Substantial Completion of the Project for which any delay in the completion of these activities will delay achieving Substantial Completion.

L. "Day(s)" means calendar day(s) unless otherwise specifically noted in the Contract Documents.

M. "Differing Site Conditions" means concealed or latent physical conditions or subsurface conditions at the Site that (1) materially differ from the conditions indicated in the Contract Documents or (2) are of an unusual nature, differing materially from the conditions ordinarily encountered and generally recognized in the area of the Site as inherent in the Work.

N. "Direct Construction Costs" means General Conditions Costs and Cost of the Work as set forth in Section 3.3 below.

O. "Environmental Conditions" means collectively, Hazardous Materials and Underground Storage Tanks.

P. "Environmental Damages" means all claims, judgments, damages, losses, penalties, fines, liabilities, encumbrances, liens, costs, and expenses of investigation and defense of any claim, including, without limitation, attorney's fees, that are incurred at any time as a result of the existence of Environmental Conditions upon, about, or beneath the Project Site or migrating or threatening to migrate to or from the Site, and including, without limitation:

1. Damages for personal injury, or injury to property or to natural resources occurring upon or off the Site.

2. Fees incurred for the services of attorneys, consultants, the Construction Manager, experts, laboratories, and all other costs incurred in connection with the investigation or remediation of such Environmental Conditions or violation of Environmental Requirements.

3. Liability to any third party or governmental agency or political subdivision to indemnify such party, agency, or political subdivision for costs expended in connection with the items listed in Subsections 1.3(P)(1) and (2) above.

Q. “Environmental Requirements” means all Applicable Laws, statutes, regulations, rules, ordinances, common law codes, licenses, permits, orders, and similar items of all governmental agencies or other instrumentalities of the United States, the State of Arizona, Yavapai County, and all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to health, safety, any Hazardous Materials, or the environment, including, without limitation, the Solid Waste Disposal Act, 42 U.S.C. §§ 6901 *et seq.*; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601 *et seq.* (“CERCLA”), as amended by the Superfund Amendments and Reauthorization Act of 1986 (“SARA”); the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801 *et seq.*; the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251 *et seq.*; the Clean Air Act, 42 U.S.C. §§ 7401 *et seq.*; the Toxic Substances Control Act, 15 U.S.C. §§ 2601 *et seq.*; the Safe Drinking Water Act, 42 U.S.C. §§ 300f *et seq.*; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§ 136 *et seq.*; the Arizona Environmental Quality Act (Title 49, Arizona Revised Statutes); all requirements, including but not limited to, those pertaining to reporting, licensing, permitting, investigation, and remediation of emissions, discharges, releases, or threatened releases of Hazardous Materials into the air, surface water, ground water, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Materials; and any other local, state, or federal environmental statutes, and all rules, regulations, orders, and decrees now or in the future promulgated under any of the foregoing, as any of the foregoing now exist or may be changed or amended or come into effect in the future.

R. “Final Completion” means completion of the Project, including Punch List items, by the Construction Manager in accordance with the Contract Documents, certified to the Town by the Construction Manager.

S. “Float” means the number of Days by which an activity can be delayed without lengthening the Critical Path and extending the Substantial Completion date.

T. “General Conditions Costs” means a portion of the costs incurred by the Construction Manager during the construction phase, as set forth in Subsection 3.3(A) below.

U. “Town’s Contingency” means a fund used at the discretion of the Town, usually for costs that result from Town-directed changes.

V. “Hazardous Materials” means any substance:

1. Defined as a “regulated substance” within the meaning of Subtitle I of the Resource Conservation and Recovery Act (“RCRA”), 42 U.S.C. §§ 6691 *et seq.*, as amended from time to time, and regulations promulgated thereunder.

2. Designated as a “hazardous substance” pursuant to Section 311 of the Clean Water Act, 33 U.S.C. § 1321, as amended from time to time, and the regulations promulgated thereunder, or listed pursuant to Section 307 of the Clean Water Act, 33 U.S.C. § 1317, as amended from time to time, and the regulations promulgated thereunder.

3. Defined as “hazardous,” “toxic,” or otherwise regulated, under any Environmental Requirements adopted by the state of Arizona, or its agencies or political subdivisions.

4. Containing asbestos or asbestos-containing materials.
 5. The presence of which requires notification, investigation, or remediation under federal, state, or local law, statute, regulation, ordinance, order, action, policy, or common law.
 6. Which is or becomes defined as a “hazardous waste,” “hazardous substance,” pollutant, or contaminant under any federal, state, or local law, statute, regulation, rule, or ordinance, or amendments thereto.
 7. Which is petroleum, petroleum products, including crude oil or any fraction thereof not otherwise designated as a “hazardous substance” under CERCLA, including without limitation gasoline, diesel fuel, or other petroleum hydrocarbons; and, ethanol, methyl tertiary butyl ether, or derivatives or constituents of or vapors from any of the foregoing.
 8. Which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority or instrumentality of the United States or the State of Arizona.
 9. The presence of which on the Project Site causes or threatens to cause a nuisance upon the Project Site or to the adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about the Project Site.
 10. The presence of which on adjacent properties could constitute a trespass by the Construction Manager or the Town.
- W. “MAG Specifications” means, collectively, the “Uniform Standard Specifications for Public Works Construction,” current edition as of the date of Contract award, and the “Uniform Standard Details for Public Works Construction,” current edition as of the date of Contract award, which are sponsored and distributed by the Maricopa Association of Governments (“MAG”).
- X. “Master Schedule” is defined as set forth in Subsection 2.3(C) below.
- Y. “Minor Adjustment” means a written order prepared and signed by the Town and the Construction Manager, approving a change in the Work that does not require an adjustment in the Contract Price or the Contract Time.
- Z. “Project Record Document(s)” means the document(s) created pursuant to Section 4.12 below.
- AA. “Punch List” means that list of items provided by the Town to the Construction Manager at the time of Substantial Completion indicating items to be completed or corrected, including the time for completion or correction by the Construction Manager after Substantial Completion.
- AB. “Shop Drawings” means drawings, diagrams, schedules, and other data specially prepared for the Work by the Construction Manager or a Subcontractor, manufacturer, supplier, or distributor to illustrate some portion of the Work.
- AC. “Site” means the land or premises on which the Project is located.

AD. “Specifications” means 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.

AE. “Subcontractor” means a person or entity employed or engaged by the Construction Manager or any person or entity directly or indirectly in privity with the Construction Manager to perform any portion of the Work. The term Subcontractor does not include any separate contractor employed by the Town.

AF. “Substantial Completion” means construction has been completed in accordance with the Contract Documents to the extent that the Town can use or occupy the entire Project, or the designated portion of the Project for the use intended without any outstanding, concurrent construction at the Site, except as may be required to complete or correct Punch List items.

AG. “Underground Storage Tank” shall have the definition assigned to that term by § 9001 of RCRA, 42 U.S.C. § 6991, as amended, and also shall include (1) any tank of 1,100 gallons or less capacity used for storing motor fuel; (2) any tank used for storing heating oil for consumption on the premises where stored; (3) any tank used for storing waste oil; (4) any septic tank; and (5) any pipes with oil dispensers connected to (a) any tank of 1,100 gallons or less capacity used for storing motor fuel or (b) any tank used for storing heating oil for consumption on the premises where stored.

AH. The “Work” means, collectively, the (1) environmental investigation set forth in Section 2.1 below, (2) Review of Construction Documents and design remedies set forth in Section 2.2 below, (3) Pre-construction Phase General Services set forth in Section 2.3 below, (4) Construction Services provided in accordance with Article 4 below, if applicable, (5) Additional Services that may be provided pursuant to an approved Minor Adjustment or Change Order in accordance with Article 8 below, and (6) other services that are necessary to complete the Project in accordance with and reasonably inferable from the Contract Documents.

1.4 Cooperative Relationship. The Town and the Construction Manager agree to proceed with the Project on the basis of trust, good faith, and fair dealing, and shall take all actions reasonably necessary to perform this Agreement in an economical and timely manner, but without sacrificing quality. The Town and the Construction Manager agree to consider design modifications and alternative materials or equipment if necessary to permit the Project to be constructed by the dates of Substantial Completion and Final Completion, as established by the mutually agreed-upon Master Schedule attached hereto.

1.5 Town Representations.

A. Project Designer Selection. The Town has contracted separately with the Project Designers to provide engineering and design for the Project.

B. Town’s Project Manager. The Town has either designated a Town staff member to act as the Town’s Project Manager and/or has contracted separately with a person, firm, or corporation to act as the Town’s Project Manager. The Town’s Project Manager has no design responsibilities of any nature. None of the activities of the Town’s Project Manager supplant or conflict with the design, budget, or any other services and responsibilities furnished by the Construction Manager, the Project Designers, or sub-consultants. All instructions by the Town relating to this Agreement will be issued or given by the Town’s Project Manager. All communications and submittals of Construction Manager to the Town shall be issued or made through the Town’s Project Manager unless the Town or the Town’s Project Manager shall otherwise direct. The Town’s Project Manager shall not unreasonably withhold approval for the Construction Manager to communicate directly with other Town officials or the Project Designers.

Throughout the term of this Agreement the Town's Project Manager shall have the authority to establish procedures, consistent with this Agreement, to be followed by the Construction Manager and to call periodic conferences to be attended by the Construction Manager and the Construction Manager's Subcontractors.

C. Limited Project Management. None of the Town's project management activities are intended to supplant or conflict with the design, budget, or any other services and responsibilities customarily furnished by the Construction Manager or its Subcontractors, except as otherwise specifically modified by this Agreement.

D. No Third-Party Relationships. The Construction Manager assumes responsibility to the Town 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 Town and any level of Subcontractor, including but not limited to any third-party beneficiary rights. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against the Town or the Construction Manager.

E. Requests for Information. The Town shall examine requests for information/direction submitted by the Construction Manager and shall render decisions thereto promptly. The Town shall furnish required information and approvals and perform its responsibilities and activities in a timely manner to facilitate orderly progress of the Work (1) in cooperation with the Construction Manager, (2) consistent with this Agreement, and (3) in accordance with the planning and scheduling requirements and budgetary restraints of the Project as determined by the Town.

F. Notice to Construction Manager of Defect. If the Town observes or otherwise becomes aware of any fault or defect in the Project or nonconformity with the Contract Documents, the Town shall give written notice thereof to the Construction Manager.

G. Approvals. The Town shall secure, submit, and pay for City approvals, easements, assessments, permits, and charges required for the Project.

H. Communication. The Town, its representatives, and its consultants shall communicate with the Subcontractors only through the Construction Manager unless otherwise directed or permitted by the Construction Manager.

I. Notices. The Town shall send to the Construction Manager, and shall require the Project Designers to send to the Construction Manager, copies of all notices and communications sent to or received by the Town or the Project Designers relating to the Construction Manager's Services with respect to the Project.

1.6 Construction Manager Representations.

A. Standards. The Construction Manager shall provide professional management and construction services for the Project in accordance with the terms and conditions of this Agreement. The Construction Manager covenants with the Town to furnish its skill and judgment with due care and in accordance with the highest standards of its profession and with Applicable Law in effect on the date of this Agreement or as subsequently amended.

B. Subcontractor Selection Plan. In conjunction with its response to the Town's RFQ, the Construction Manager submitted to the Town a written procedure in conformance with ARIZ. REV. STAT. §§ 34-601 *et seq.*, as amended, for qualifications-based selection of Subcontractors to be utilized in completion of the Project (the "Subcontractor Selection Plan"), which is attached hereto as part of Exhibit F. The Construction Manager shall conduct a telephone and correspondence campaign to attempt to create

SECTION B

interest among Subcontractors. The Construction Manager shall develop and coordinate procedures to provide answers to Subcontractors' questions. The Construction Manager shall use best efforts to utilize minority business enterprises, women business enterprises, and local contractors or suppliers. The Construction Manager shall ensure that each Subcontractor has secured the required business licenses, permits, insurance, and bonds. The Construction Manager shall be solely responsible for ensuring that (1) the Subcontractor Selection Plan is in conformance with Applicable Law and (2) all Subcontractors are selected in accordance with the Subcontractor Selection Plan. The Construction Manager shall defend, indemnify, and hold harmless the Town, its agents, representatives, officers, directors, officials, and employees for, 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 Construction Manager's failure to appropriately select its Subcontractors. Additionally, as part of the Construction Manager's submittal of any GMP Proposal under this Agreement, the Construction Manager shall utilize the Subcontractor Selection Plan to meet its requirements under Section 3.7 below.

C. Key Personnel. The Construction Manager shall provide to the Town a list of the proposed key project personnel of the Construction Manager and its Subcontractors to be assigned to the Project. This list shall include information on the professional background of each of the assigned individuals as may be requested by the Town. Such key personnel and consultants shall be satisfactory to the Town and shall not be changed except with the consent of the Town. The Construction Manager will maintain an adequate number of competent and qualified persons, as determined by the Town, to ensure acceptable and timely completion of the Services described in this Agreement. If the Town objects, with reasonable cause, to any of the Construction Manager's staff, the Construction Manager will take prompt corrective action acceptable to the Town and, if required, remove such personnel from the Project and replace with new personnel with qualifications acceptable to the Town. Additionally, the Town shall have the right to request that the Construction Manager personnel be removed from the Project if, in the Town's sole discretion, such personnel are detrimental to the Project delivery process. Upon receipt of such request, the Construction Manager shall remove such personnel unless the Construction Manager can provide the Town with sufficient documentation to prove it is commercially impractical to replace the personnel with similarly qualified personnel. The Town's approval of substituted personnel shall not be unreasonably withheld.

D. Site Conditions. The Construction Manager represents that it has taken steps reasonably necessary to ascertain the nature and location of the Work related to the Project, and that it has investigated and satisfied itself as to the general and local conditions and constraints that are applicable to the Work such as (1) conditions bearing on transportation, disposal, handling, and storage of materials, (2) the availability of labor, water, power, and roads, (3) normal weather conditions, (4) observable physical conditions at the Site, (5) the surface conditions of the ground, and (6) the character of equipment and facilities needed prior to and during the performance of the Work. To the extent the Construction Manager encounters subsurface or concealed conditions that differ materially from those which could reasonably have been determined from a Site surface investigation by the Construction Manager on the date of this Agreement or from those ordinarily found to exist and generally recognized as inherent in the activities of the character provided in the Contract Documents, then the Construction Manager shall give notice to the Town promptly before conditions are disturbed and in no event later than seven Days after the first observance of the conditions if a Change Order is contemplated by the Construction Manager due to such conditions. Such materially different conditions, if discovered after a GMP is approved, may entitle the Construction Manager to an equitable adjustment in the applicable GMP or schedule pursuant to the Change Order provisions set forth in Article 8 below.

1.7 The Town and Subcontractors. The Town will require the Construction Manager to contract directly with such Subcontractors as may be necessary for construction or supply of the Project.

All such contracts shall be issued consistent with (A) the applicable provisions of this Agreement, and (B) Applicable Law, including, but not limited to, the requirements of ARIZ. REV. STAT. § 34-605(J) relating to inclusion of the Project's physical location in all subcontracts.

1.8 Construction Manager to Other Project Participants. In providing the Services described in this Agreement, the Construction Manager shall endeavor to maintain a working relationship with the Project Designers. The Project Designers are solely responsible for the Project design and shall perform in accordance with their respective agreements with the Town. Nothing in this Agreement shall be construed to mean that the Construction Manager is responsible for the design of the Project or that the Construction Manager assumes any of the contractual or customary responsibilities or duties of the Project Designers or any other persons or parties not specified by this Agreement; provided, however, that the Construction Manager shall provide comment and input in the form of a value analysis and constructability review with respect to the Project Designers' designs as set forth in Section 2.2 below.

1.9 Data Confidentiality.

A. Data Defined. As used in this Agreement, "data" means all information, whether written or verbal, including plans, photographs, studies, investigations, audits, analyses, samples, reports, calculations, internal memos, meeting minutes, data field notes, work product, proposals, correspondence, and any other similar documents or information prepared by or obtained by the Construction Manager in the performance of this Agreement.

B. Confidentiality. The Parties agree, subject to Arizona public records law, that all data, including originals, images, and reproductions, prepared by, obtained by, or transmitted to the Construction Manager in connection with the Construction Manager's performance of this Agreement is confidential and proprietary information belonging to the Town.

C. Use of Data. The Construction Manager will not divulge data to any third party without prior, written consent of the Town. The Construction Manager will not use the data for any purposes except to perform the Services required under this Agreement. These prohibitions will not apply to any of the following data, provided the Construction Manager has first given the required notice to the Town:

1. Data that was known to the Construction Manager prior to its performance under this Agreement, unless such data was acquired in connection with work performed for the Town.
2. Data that was acquired by the Construction Manager in its performance under this Agreement, and which was disclosed to the Construction Manager by a third party, who to the best of the Construction Manager's knowledge and belief, had the legal right to make such disclosure and the Construction Manager is not otherwise required to hold such data in confidence.
3. Data that is required to be disclosed by the Construction Manager by virtue of law, regulation, or court order.

D. Disclosure Notice. In the event the Construction Manager is required or requested to disclose data to a third party, or any other information to which the Construction Manager became privy as a result of any other contract with the Town, the Construction Manager will first notify the Town as set forth in this Section of the request or demand for the data. The Construction Manager will timely give the Town sufficient facts, such that the Town can have a meaningful opportunity to either first give its consent or take such action that the Town may deem appropriate to protect such data or other information from disclosure.

E. Return After Completion. The Construction Manager, unless prohibited by law, within 10 Days after completion of services for a third party on real or personal property owned or leased by the Town, will promptly deliver, as set forth in this Section, a copy of all data to the Town. All data will continue to be subject to the confidentiality requirements of this Agreement.

F. Construction Manager Responsible. The Construction Manager assumes all liability for maintaining the confidentiality of the data in its possession and agrees to compensate the Town if any of the provisions of this Section are violated by the Construction Manager, its employees, agents, or Subcontractors. For the purposes of seeking injunctive relief, it is agreed that a breach of this Section will be deemed to cause irreparable harm that justifies injunctive relief in court.

ARTICLE 2 PRE-CONSTRUCTION SERVICES

2.1 Environmental Investigation.

A. Discovery. Upon written notice from the Town or upon the Construction Manager's discovery of Environmental Conditions on the Site, the Construction Manager shall recommend, for execution by the Town, one or more contracts ("Environmental Contracts") with suitably qualified consultants and/or engineers ("Environmental Engineers"), each of which Environmental Engineer and which form of Environmental Contract shall be subject to the approval of the Town, for purposes of performing an investigation and analysis of the Site prior to demolition and excavation activities, to determine the presence of any Environmental Conditions on, in, or under the Site. The Environmental Contracts shall provide for a commercially reasonable scope of investigation and costs approved by the Town, and may provide for conducting the investigation and testing in phases acceptable to the Town. The Environmental Contracts shall also provide that the Environmental Engineers shall begin their tests and inspections at the Site as soon as the Town is able to arrange access to the Site, or any portions thereof, for such purposes. The Environmental Contracts shall provide that the Construction Manager, acting as agent of the Town, shall coordinate the activities of the Environmental Engineers with the Work.

B. Assessment; Remediation Analysis. The Environmental Contracts shall provide that the Environmental Engineers shall prepare such reports, feasibility studies, and remedial plans in accordance with applicable local, state, and federal rules, regulations, and laws, including the federal "all appropriate inquiry" Standard and American Society for Testing and Materials, ASTM E1527-13 ("Environmental Assessments") as may be reasonably necessary to identify and explain the quantity, scope, and nature of the Environmental Conditions found to exist at the Site. The Environmental Assessments shall contain a detailed analysis of the Environmental Conditions discovered, and the actions ("Remedial Actions") required for the response, removal, cleanup, or remediation of such Environmental Conditions (1) that are required by Environmental Requirements, or (2) that are reasonably necessary to mitigate Environmental Damages.

C. Impact on Master Schedule. The Environmental Contracts shall provide that the Environmental Engineers shall promptly provide the Town and the Construction Manager with a copy of each Environmental Assessment, together with any other reports and test results generated pursuant to the Environmental Contracts. The Construction Manager shall, promptly after receipt of the foregoing matters from the Environmental Engineers, prepare and submit to the Town a written report setting forth the Construction Manager's understanding of whether and to what extent any recommended Remedial Actions may result in an amendment to the Master Schedule and the progress of the Work.

D. Notice; Permitting. The Environmental Contracts shall require the Environmental Engineers to (1) give notice to the Town of the presence of Environmental Conditions, (2) only upon the

written consent of the Town, give any necessary notice to the Federal government and the State of Arizona or other agencies of the presence of any Environmental Conditions, (3) assist the Town in negotiations with Federal and Arizona agencies concerning preparation and approval of a plan for clean-up to the extent required, and (4) obtain all necessary permits to perform any Remedial Actions.

E. Remediation Contractors. If so instructed by the Town, based upon the results of the Environmental Assessments, the Construction Manager shall assist the Town with obtaining bids from remediation contractors (“Remediation Contractors”) suitably qualified and approved by the Town to perform the Remedial Actions selected by the Town. If the Town elects to go forward with all or any portion of the Remedial Actions covered by the bids submitted, the Town will so advise the Construction Manager in a written notice on or before the date that is 60 Days after receipt of the foregoing matters from the Construction Manager. Thereafter, the Town shall execute contracts with the selected Remediation Contractors (“Remediation Contracts”).

F. Coordination. Unless otherwise instructed, the Construction Manager, as agent for the Town, shall be responsible for coordinating the work and services performed by the Remediation Contractors with the Work.

G. Payment for Remediation. The Town will make all payments due under the Environmental Contracts and the Remediation Contracts directly to the Environmental Engineers and the Remediation Contractors. Such payments will be based on requisitions, which requisitions shall be approved by the Construction Manager prior to submission to the Town. All payments due under the Environmental Contracts, the Remediation Contracts, and for Environmental Damages, shall not be a part of the applicable GMP, and shall be the sole responsibility of the Town, except as expressly provided otherwise.

H. Additional Discovery. If, in the course of performance of the Work, the Construction Manager encounters on the Site any Environmental Conditions not previously disclosed and remediated by the Environmental Engineers or the Remediation Contractors, the Construction Manager shall immediately suspend the Work in the area affected and promptly thereafter report the condition to the Town.

I. Construction Manager Responsibility. Except as set forth in Subsection 2.1(L) below, it is understood and agreed that with respect to any Environmental Conditions existing on the Site, the Construction Manager is not, and shall not be deemed to be, a generator, arranger, owner, operator, treater, storer, transporter, or disposer of, or otherwise responsible for, any such Environmental Conditions. It is understood and agreed that the Construction Manager shall have no right to direct the means or methods of performance of any Environmental Engineer or Remediation Contractor.

J. Town Indemnity. To the extent that the Construction Manager or the Subcontractors are not in violation of Subsection 2.1(L) below and to the extent sufficient appropriations are made pursuant to Section 14.18 below, the Town shall indemnify, defend, and hold harmless the Construction Manager, the Subcontractors, and the directors, officers, agents, and employees of each (the “Construction Manager Indemnitees”), for, from, and against any Environmental Damages asserted against or sustained by such parties as a result of any of the Construction Manager Indemnitees being deemed or determined to be a generator, arranger, owner, operator, treater, storer, transporter, or disposer of, or otherwise responsible for, any such Environmental Conditions.

K. Delay for Remedial Actions. The Town acknowledges and agrees that the Construction Manager shall not commence or continue any demolition or construction activities on any portion of the Site on or in which Remedial Actions are to be performed until such Remedial Actions are

to the point where construction activities will not interfere with such Remedial Actions, as evidenced by appropriate certification by the applicable Environmental Engineer and/or Remediation Contractor, and any required approvals of any applicable government agencies. The Construction Manager agrees to use good faith efforts to adjust and reschedule its activities at the Site so as to minimize, to the extent reasonably practical, the adverse effect on the progress of the Work resulting from any Remedial Actions.

L. Hazardous Materials Prohibited. The Construction Manager shall not bring Hazardous Materials to the Site and shall not include Hazardous Materials in any construction materials, unless permitted by Environmental Requirements. The Construction Manager shall comply, and shall cause the Subcontractors to comply, with all Environmental Requirements regarding the generation, handling, storage, treatment, and disposal of Hazardous Materials.

M. Construction Manager Indemnity. The Construction Manager shall indemnify, defend, and hold harmless the Town, its agents, representatives, officers, and employees for, from, and against any Environmental Damages asserted against or sustained by such parties as a result of any violation by the Construction Manager or the Subcontractors of any Environmental Requirements arising out of Subsection 2.1(L) above.

2.2 Review of Construction Documents; Design Remedies.

A. Program Evaluation. The Construction Manager will provide to the Town a written evaluation of the Town's proposed Project and Project budget, with recommendations as to the appropriateness of each, and an analysis as to how each contribute to successfully achieving the Town's goal for the Project.

B. Design Document Review. The Construction Manager shall assist the Town in reviewing the Construction Documents for clarity, consistency, constructability, and coordination among the various contractors. The Construction Manager's first review of the Construction Documents shall occur at the 30% stage of the design for each component of the Project as designated by the Town and shall be ongoing until 100% plans are final and complete for all phases of the Project. If the Construction Manager recognizes that portions of the Construction Documents are (1) in violation of Applicable Law or (2) in any way inadequate to achieve the intended result of the Project, the Construction Manager shall immediately notify the Town in writing, describing the apparent violation or inadequacy.

1. The Construction Manager will periodically evaluate the availability of labor, materials/equipment, building systems, cost-sensitive aspects of the design, and other factors that may impact the Cost Model, GMP Proposals, and/or the Master Schedule.

2. The Construction Manager will identify those additional surface and subsurface investigations that are required to provide the necessary information for the Construction Manager to construct the Project. After completion of pre-construction services, the Construction Manager may provide additional investigations to improve the adequacy and completeness of the Site condition information and data made available with the Construction Documents. The Construction Manager will be responsible for the time and cost required to obtain such additional investigations, except as otherwise provided by specific Additional Services.

3. The Construction Manager will meet with the Project team as required to review designs during their development. The Construction Manager will thoroughly familiarize itself with the evolving documents through schematic design, design development, and Construction Documents (detailed design). The Construction Manager will proactively advise the Project team and make recommendations on factors related to construction costs, and concerns

pertaining to the feasibility and practicality of any proposed means and methods, selected materials, equipment, building systems, and labor and material availability. The Construction Manager will also advise the Project team on proposed Site improvements, excavation, and foundation considerations, as well as concerns that exist with respect to the coordination of the Construction Documents. The Construction Manager will recommend cost-effective alternatives.

C. Constructability and Biddability Reviews. The Construction Manager will conduct constructability and biddability reviews of the Construction Documents. The reviews will attempt to identify all discrepancies and inconsistencies in the Construction Documents, especially those related to clarity, consistency, and coordination of Work of Subcontractors and suppliers. The Construction Manager shall provide the Town with a written report containing, at a minimum, (1) a summary of the research and analysis conducted, (2) a detailed description of any constructability issues or challenges, and (3) recommendations for correcting any constructability issues or challenges.

1. Constructability Review. The Construction Manager will evaluate whether (a) the Construction Documents are configured to enable efficient construction, (b) design elements are standardized, (c) construction efficiency is properly considered in the Construction Documents, (d) module/preassembly design are prepared to facilitate fabrication, transport, and installation, (e) the design promotes accessibility of personnel, material, and equipment and facilitates construction under adverse weather conditions, (f) sequences of Work required by or inferable from the Construction Documents are practicable, and (g) the design has taken into consideration efficiency issues concerning access and entrance to the Site, laydown and storage of materials, staging of Site facilities, construction parking, and other similar pertinent issues.

2. Biddability Review. The Construction Manager will check cross-references and complementary Project drawings and sections within the Construction Documents and evaluate whether (a) the plans and Specifications are sufficiently clear and detailed to minimize ambiguity and to reduce scope interpretation discrepancies, (b) named materials and equipment are commercially available and are performing well or otherwise, in similar installations, (c) the design provides as-built data, (d) Specifications include alternatives in the event a requirement cannot be met in the field, and (e) the Project is likely to be subject to Differing Site Conditions considering the data on subsurface conditions, physical conditions of existing surface and subsurface facilities, and physical conditions of underground utilities made available by the design or resulting from conditions inherent to work similar to the Work.

3. Reports. The results of the reviews will be provided to the Town in written reports clearly identifying all discovered discrepancies and inconsistencies in the Project plans and Specifications with notations and recommendations made on the plans, Specifications, and other Construction Documents. If requested by the Town, the Construction Manager will meet with the Town's Project Manager and Project Designers to discuss any findings and to review reports.

D. Notification of Variance or Deficiency. The Construction Manager is responsible for assisting the Project Designers in ascertaining that the Construction Documents are in accordance with Applicable Laws, statutes, ordinances, building codes, rules, and regulations. If the Construction Manager recognizes that portions of the Construction Documents are at variance with Applicable Laws, statutes, ordinances, building codes, rules, and regulations it will promptly notify the Project Designers and the Town in writing, describing the apparent variance or deficiency.

E. Value Analysis. The Construction Manager shall make recommendations to the Town and the Project Designers with respect to constructability, construction cost, sequence of construction, construction duration, possible means and methods of construction, time for construction, and

separation of the Project into contracts for various categories of the Work. Construction Manager shall evaluate all design options to provide value analysis services and cost savings recommendations to the Town. The Construction Manager shall consider options most effective in first costs as well as long term operational costs and life cycle costs when evaluating each design option. The Construction Manager shall submit to the Town and Project Designers (1) written cost studies, (2) cost-benefit evaluations of each cost study, (3) a formal report to the design team, (4) a final written analysis study document, and (5) a tracking report for the increases or decreases in Project cost due to value engineering or scope changes. The Town will decide which alternatives will be incorporated into the Project. The Project Designers will have full responsibility for the incorporation of the alternatives into the Contract Documents. The Construction Manager will include the cost of the alternatives into the Cost Model and any GMP Proposals.

F. Certification. At the completion of its review of the Construction Documents for each phase of the Project, the Construction Manager shall certify, without assuming engineering responsibility therefore, that the Construction Documents are sufficient and complete to build the respective portion of the Project within (1) the time available before the respective Substantial Completion date and (2) the Project budget. The Construction Manager's assistance in reviewing the Project design, Construction Documents, and in making recommendations as provided herein is only for the purpose of providing advice to the Town. Nothing in this Subsection shall relieve the Project Designers of their respective responsibility for the Construction Documents.

G. Construction Manager Not Responsible for Design. Notwithstanding the foregoing, the Construction Manager is not responsible for providing, nor does the Construction Manager control, the Project design and contents of the Construction Documents. By assisting with the reviews described herein, the Construction Manager is not acting in a manner so as to assume responsibility or liability, in whole or in part, for all or any part of the Project design and Construction Documents.

2.3 Pre-Construction Phase General Services.

A. Personnel; Project Meetings; Project Analysis. The Construction Manager will meet with the Town, the Project Designers, and all the other Project stakeholders to fully understand the program, the Construction Documents, and all other aspects of the Project. The Construction Manager shall attend the regularly scheduled meetings with the Town and the Project Designers to advise the Town on matters of Site use, improvements, selection of materials, building methods, construction details, building systems, equipment, phasing, and sequencing.

1. The Construction Manager will provide pre-construction services, described herein, in a proactive manner and consistent with the intent of the most current Construction Documents. The Construction Manager will promptly notify the Town in writing whenever the Construction Manager determines that any Construction Documents are inappropriate for the Project and/or cause changes in the scope of Work requiring an adjustment in the Cost Model, Master Schedule, GMP Proposals, and/or in the Contract Time for the Work, to the extent such are established.

2. The Construction Manager, when requested by the Town or at its own initiative, if sanctioned by the Town, will attend, make presentations, and participate as may be appropriate in public agency and/or community meetings, germane to the Project. The Construction Manager will assist the Project Designers in the preparation of drawings, schedule diagrams, budget charts, and other materials describing the Project, when their use is required or appropriate in any such public agency meetings.

B. Construction Management Plan.

1. Preparing Plan. The Construction Manager will prepare a construction management plan (the “Construction Management Plan”) that will detail, but not necessarily be limited to, the Construction Manager’s determinations concerning (a) Project milestone dates and the Master Schedule, including the broad sequencing of the design and construction of the Project; (b) investigations, if any, to be undertaken to ascertain subsurface conditions and physical conditions of existing surface and subsurface facilities and underground utilities; (c) alternate strategies for fast-tracking and/or phasing the construction; (d) separate bidding documents/packages and strategies for the early procurement of long-lead equipment and/or materials; (e) the number of separate subcontracts to be awarded to Subcontractors and suppliers for the Project construction; (f) permitting strategy; (g) safety and training programs; (h) construction quality control; (i) the Project Cost Model and basis of the model; (j) a matrix summarizing each Project team member’s responsibilities and roles related to the Services; and (k) construction security. If the Town has retained a “Project Manager” for the Project, the Construction Management Plan shall be coordinated with the Project Management Plan and Design Phase Milestone Schedule prepared by the Project Manager.

2. Maintaining Plan. The Construction Manager shall keep the Construction Management Plan current throughout the pre-construction services phase so that the Construction Management Plan is ready for implementation at the start of the construction phase. The update/revisions will take into account (a) revisions in Construction Documents; (b) the Construction Manager’s examination of the results of any additional investigatory reports of subsurface conditions, drawings of physical conditions of existing surface and subsurface facilities, and documents depicting underground utilities placement and physical condition, whether obtained by the Town, Project Designers, or the Construction Manager; (c) unresolved permitting issues, and significant issues, if any, pertaining to the acquisition of land and rights-of-way; (d) the fast-tracking (if any) of the construction, or other chosen construction delivery methods; (e) the requisite number of separate bidding documents to be advertised; (f) the status of the procurement of long-lead time equipment and/or materials; and (g) funding issues identified by the Town.

C. Schedule Development. In accordance with the Construction Management Plan, the Construction Manager shall prepare a master schedule for the Project (the “Master Schedule”). In preparing the Master Schedule, the Construction Manager shall establish (1) detailed Critical Path Method (“CPM”) resource-loaded schedules for the pre-construction/design phase and the construction phase of the Project with concurrence of the Town and the Project Designers, and (2) monitor the Project schedules during the pre-construction phase and ensure that the Master Schedule is updated as necessary and advise the Town of any schedule deficiencies.

1. Each Project team member is responsible for its compliance with the Master Schedule requirements. The Construction Manager will update and maintain the Master Schedule on behalf of and to be used by the Project team based on input from other team members. The Master Schedule will be consistent with the most recent revised/updated Construction Management Plan. The Master Schedule will be presented in graphical and tabular reports as agreed upon by the Project team. The Master Schedule will include all tasks and deliverables required by each member of the Project team to identify long lead items, real property transactions, utility relocation activity, permitting requirements, etc. If Project phasing as described below is required, the Master Schedule will indicate milestone dates for the phases. The Master Schedule’s activities will directly correlate with the Schedule of Values (as defined in Subsection 2.3(D)(4) below). The Master Schedule shall include resource loading for manpower and cash flow. The manpower loading shall include the daily manpower required to complete the task as shown on the Master Schedule.

2. The Construction Manager will include and integrate in the Master Schedule the services and activities required of the Town's Project Manager, Project Designers, and Construction Manager, including all construction phase activities. The Master Schedule will detail activities to the extent required to show (a) the coordination between schematic design, design development, and Construction Documents (detailed design), (b) separate long-lead procurements, (c) permitting issues, (d) land and right-of-way acquisition, if any, (e) bid packaging strategy and awards to Subcontractors and suppliers, (f) major stages of construction, (g) start-up, and (h) occupancy of the completed Work by the Town. The Master Schedule will include, by example and not limitation, proposed activity sequences and durations for design, procurement, construction, and testing activities, milestone dates for actions and decisions by the Project team, preparation and processing of Shop Drawings and samples, delivery of materials or equipment requiring long-lead time procurement, milestone dates for various construction phases, total Float for all activities, relationships between the activities, the Town's occupancy requirements showing portions of the Project having occupancy priority, and proposed dates for Substantial Completion and when the Work would be ready for final acceptance.

3. The Master Schedule will be updated and maintained by the Construction Manager with assistance from the Project team throughout the pre-construction services phase such that it will not require major changes at the start of the construction phase to incorporate the Construction Manager's plan for the performance of the construction phase Work. The Construction Manager will provide updates and/or revisions to the Master Schedule for use by the Project team, whenever required, but no less often than monthly; provided, however, that no such changes shall alter the date of Substantial Completion without the Town prior, written approval. The Construction Manager will include with such submittals a narrative describing its analysis of the progress achieved versus that planned, any concerns regarding delays or potential delays, and any recommendations regarding mitigating actions.

4. Prior to transmitting Contract Documents to Subcontractors, the Construction Manager shall prepare a pre-proposal construction schedule for each part of the Project and make the schedule available to the Subcontractors. The Construction Manager shall provide a copy of the Master Schedule to the Subcontractors. As part of the notice of award by the Construction Manager to each Subcontractor, the Construction Manager shall inform each Subcontractor of the requirements for the preparation of the Master Schedule. Each Subcontractor shall prepare its own Subcontractor construction schedule in accordance with the requirements of the Contract Documents.

D. Cost Models; Cost Estimates and Schedule of Values. The Construction Manager shall provide the Town and its Project Manager (if any) with detailed cost information for all aspects of the Project. Each cost model will contain a detailed estimate of the direct cost (including materials, labor, and equipment) pertaining to each aspect of the Project along with the cost of the contract bonds, the cost of the Project's required insurance, the cost of all applicable taxes, the Construction Manager's general conditions, the Construction Manager's fee, and the amount of the Construction Manager's Contingency and shall be consistent with such requirements as determined by the Town or the Project Designers. The individual aspect cost models shall be collectively referred to as the "Cost Model."

1. As soon as practical during the schematic design phase, the Construction Manager will review all available information regarding the design and scope of the Project, and based on the Construction Manager's experience in performing similar work, develop a Cost Model for review and approval by the Town and its Project Manager (if any). Once approved by the Town, the Cost Model will be continually updated and kept current as the design progresses throughout the pre-construction phase until a final GMP for the entire Project is established. The Cost Model

will be the Construction Manager's best representation of the complete functional Project's construction costs. The Construction Manager will communicate to the Project team any assumptions made in preparing the Cost Model. The Cost Model will support the Construction Manager's construction cost estimates and may be broken down initially as dictated by the available information. The Cost Model will also include allowances as agreed to by the Project team, including but not limited to (a) allowances for potential additional quantities and/or additional Work that the Town may require, and (b) any costs related to investigations described in Section 2.1 above.

2. After receipt of the Project Designers' most current documents from certain specified design milestones, the Construction Manager will provide a detailed written report to the Project team regarding the impact of and changes to the Cost Model based on the Construction Manager's review of Construction Documents made available at the specified design milestone. The Town's Project Manager, Project Designers, and the Construction Manager will reconcile any disagreements on the estimate to arrive at an agreed-upon estimate for the construction costs based on the scope of the Project through that specified design milestone. The design milestones applicable to this paragraph are schematic design document completion, design development document completion, and detailed design completion at 30%, 60%, 95%, and 100%. If no consensus is reached, the Town will make the final determination. If the Project team requires additional updates of the Cost Model beyond that specified in this Subsection, the Construction Manager will provide the requested information in a timely manner.

3. If, at any point, the estimate submitted to the Town exceeds previously-accepted estimates or other key aspects of the Cost Model or the Town's Project budget, the Construction Manager will make appropriate recommendations to the Town's Project Manager and Project Designers on means/methods, materials, and/or other design elements that it believes will reduce the estimated construction costs (without altering the Town's basic program), such that it is equal to or less than the established Project budget.

4. Near completion of the 60% detailed design review and included with the associated report, the Construction Manager will also submit to the Town for review and approval a "Schedule of Values" which complies with the following requirements. The Schedule of Values will highlight significant variances from any previously submitted preliminary Schedule of Values. The Schedule of Values will be directly related to the breakdowns reflected in the Construction Management Plan and the Construction Manager's Cost Model. In addition, the Schedule of Values will (a) detail unit prices and quantity take-offs, (b) segregate Work covered by any changes to construction phase Work already in progress, (c) reconcile used and remaining Construction Manager's Contingency (as defined in Subsection 3.3(D)(1) below) allowance, (d) detail all other allowances and unit price Work shown and specified in the detailed Construction Documents, and (e) material and equipment costs, labor costs, General Conditions costs, hourly labor rates, payment for pre-construction services, and total cost. Labor costs in the Schedule of Values will include employee benefits, payroll taxes, and other payroll burdens. The total cost for any portion of the Work to be performed by Subcontractors will include Subcontractor overhead and profit.

5. The Construction Manager will submit to the Town a final Schedule of Values based on the 100% detailed design set of Construction Documents for the entire Project or any portion thereof, which final Schedule of Values will also be included in any proposed GMP(s).

6. Upon request by the Town, the Construction Manager will submit to the Town a cash flow projection for the Project based on the current updated/revised Master Schedule and the anticipated level of payments for the Construction Manager during the pre-construction and

construction phases. In addition, if requested by the Town and based on information provided by the Town, the Construction Manager will prepare a cash flow projection for the entire Project based on historical records for similar types of projects to assist the Town in the financing process.

E. Traffic Control/Sequencing Plans. The Construction Manager shall provide the Town with (1) a detailed traffic control plan, in accordance with Subsection 4.5(R) below, and (2) construction sequencing plans. Upon approval by the Town, the traffic control plan and the construction sequencing plan shall be attached hereto as Exhibit G and incorporated herein by reference.

F. Phasing; Long Lead Procurement. The Construction Manager shall review the Construction Documents and make recommendations to the Town with respect to the phase issuance of the Construction Documents to facilitate phased construction of the Work, if appropriate. The Construction Manager will take into consideration such factors as natural and practical lines of work severability, sequencing effectiveness, access and availability constraints, total time for completion, construction market conditions, labor and materials availability, and any other factors pertinent to saving time and cost. The Construction Manager may also recommend to the Town and to the Project Designers a list and a schedule for purchasing items necessary for the Project which may require substantial lead time for procurement (the "Long Lead Items"), which may be separately procured by the Town or included as a separate GMP in this Agreement, at the discretion of the Town. The Construction Manager shall make such adjustments to the Master Schedule as necessary to accommodate the procurement process for the Long Lead Items. Upon purchase, the Construction Manager shall safeguard the Long Lead Items until installed as part of the Project.

G. Other Deliverables; Pre-Construction Progress Payments. The Construction Manager shall provide the Town with written plans for the pre-qualification of Subcontractors (according to the Subcontractor Selection Plan), subcontract bid packages, project safety, quality control, owner training, and commissioning. The Construction Manager will prepare and submit monthly pay applications to the Town for work performed during the specific payment period for the pre-construction phase of the Project.

ARTICLE 3

GUARANTEED MAXIMUM PRICE PROPOSAL

3.1 GMP Submittal Process. At the stage of the pre-construction phase services as determined by the Town, the Construction Manager shall, if requested by the Town, submit a GMP Proposal, which shall be the sum of the estimated Cost of the Work relating to completion of the Scope for the Project and the Construction Fee relating to the Project based upon the most current version of the Cost Model. Each GMP Proposal shall include, in the Cost of the Work, those taxes that are applicable at the time the GMP is established. Each GMP is the total cost of the applicable portion of the Project including the cost of labor, equipment, supplies, materials, services, and allowances to complete the applicable portion of the Project. The cost data is directly correlated to the specific Construction Documents in existence at the time each GMP Proposal is prepared. The assumptions used in the preparation of the GMP Proposal shall be identified by the Construction Manager as part of the GMP Proposal. In submitting this proposal, the Construction Manager represents that:

A. Document Review. The Construction Manager has examined and carefully studied the Contract Documents for the construction phase, including all addenda.

B. Site Visit. The Construction Manager has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, performance, and furnishing of the Work.

C. Laws and Regulations. The Construction Manager is familiar with and is satisfied as to all Applicable Laws that may affect cost, progress, performance, and furnishing of the Work, including, but not limited to, ARIZ. REV. STAT. § 42-5075(P), which applies to the Project contemplated within this Agreement.

D. Reports; Subsurface Conditions. The Construction Manager has carefully studied all reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site which have been identified in the Contract Documents for the construction phase. The Construction Manager acknowledges that such new reports may not be complete for Construction Manager's purposes. The Construction Manager acknowledges that the Town and Project Designers do not assume responsibility for the accuracy or completeness of information and data shown or indicated in the Contract Documents for the construction phase with respect to underground facilities at or contiguous to the Site. The Construction Manager has obtained and carefully studied (or assumes responsibility for having done so) all such additional or supplementary examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface, and underground facilities) at or contiguous to the Site or otherwise which may affect cost, progress, performance, or furnishing of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by the Construction Manager and safety precautions and programs incident thereto. The Construction Manager does not consider that any additional examinations, investigations, explorations, tests, studies, or data are necessary for the determination of this GMP Proposal for performance and furnishing of the Work in accordance with the times, price, and other terms and conditions of the Contract Documents for the construction phase.

E. Work by Others. The Construction Manager is aware of the general nature of the Work to be performed by the Town and others at the Site that relates to the Work for which the GMP Proposal is submitted as indicated in the Contract Documents for the construction phase.

F. Conditions and Plans Correlated. The Construction Manager has correlated the information known to Construction Manager, information and observations obtained from visits to the site, reports and drawings identified in the Contract Documents for the construction phase, and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents for the construction phase.

G. Inconsistencies Resolved. The Construction Manager has given Project Designers written notice of all conflicts, errors, ambiguities, or discrepancies that the Construction Manager has discovered in the Contract Documents for the construction phase, and the written resolution thereof by Project Designers is acceptable to the Construction Manager, and the Contract Documents for the construction phase are generally sufficient to indicate and convey understanding of all terms and conditions for performing and furnishing the Work for which the GMP Proposal is submitted.

H. No Improper Actions. The proposal is genuine and not made in the interest of or on behalf of any undisclosed person, firm, or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization, or corporation; Construction Manager has not directly or indirectly induced or solicited any person, firm, or corporation to refrain from proposing; and the Construction Manager has not sought collusion to obtain for itself any advantage over any other contractor or over the Town.

3.2 Acknowledged Construction Documents. The Construction Manager, in preparing any GMP Proposal, will obtain from the Project Designers three sets of signed, sealed, and dated Construction Documents (including all addenda). The Construction Manager will prepare its GMP Proposal in

accordance with the Town's requirements and the most-current completed Construction Documents at that time. The Construction Manager will mark the face of each document of each set upon which its GMP Proposal is based. The Construction Manager will send one set of those documents to the Town's Project Manager, keep one set, and return the third set to the Project Designers.

3.3 Direct Construction Costs. Direct Construction Costs means the sum of the amounts that the Construction Manager actually and necessarily incurs constructing the Work in strict compliance with the Contract Documents. Direct Construction Costs include only the cost categories set forth in this Article and does not include the Pre-Construction Phase Fees or the Construction Phase Fees unless specifically noted.

A. General Conditions Costs. The Construction Manager is entitled to receive reimbursement for the actual cost of the allowable General Conditions items incurred between issuance of the applicable Notice to Proceed and 30 days after the date scheduled for Substantial Completion. The Construction Manager is entitled to reimbursement for General Conditions Costs incurred before receipt of the Notice to Proceed, or after Substantial Completion, only with prior written approval of the Town. "Allowable General Conditions Cost Line Items" are identified below and in Exhibit H, attached hereto and incorporated herein by reference. These items shall be included in the General Conditions Cost amount shown as a line item in the applicable GMP Proposal and as detailed on the Schedule of Values. Items not specifically included below or in Exhibit H will not be allowed as General Condition Costs.

1. Personnel costs, which include wages paid for the Construction Manager's hourly employees and salaries of the Construction Manager's salaried personnel when (a) stationed at the field office located at the Site and working on matters directly related to the Project, in whatever capacity employed; (b) engaged on the road expediting the production or transportation of material and equipment; and (c) performing functions directly related to the Work from the principal or branch office. The project manager's salary may be included in the General Conditions Costs only when the project manager is directly managing the Project. Personnel costs also include the cost of all employee benefits and taxes including but not limited to, unemployment compensation, Social Security, health, welfare, retirement, and other fringe benefits as required by law, labor agreements, or paid under the Construction Manager's standard personnel policy. All personnel costs are subject to audit to determine the actual cost of the wages, salaries, and allowable employer contributions incurred by the Construction Manager for services performed for the Project.

2. Reasonable transportation, travel, and hotel expenses of the Construction Manager's personnel incurred in connection with the Work.

3. Costs of long-distance telephone calls, telegrams, postage, package delivery, and courier service, hardwired telephone service, and reasonable expenses of Construction Manager's jobsite office if incurred at the Site and directly and solely in support of the Work.

4. Costs of materials, supplies, temporary facilities, equipment, and hand tools (except those customarily owned by construction workers) supplied to the Site by the Construction Manager, if such items are fully consumed in the construction of the Work and are included in the list of Allowable General Conditions Cost Line Items set forth in Exhibit H. Cost for used items shall be based on fair market value and may include transportation, installation, and minor maintenance costs, and removal costs. If an item is not fully consumed in the construction of the Work, its recoverable cost under this Contract shall be based on the original cost of the item less its fair market salvage value.

5. Rental charges for temporary facilities, equipment, and hand tools (except those customarily owned by construction workers), supplied to the Site by Construction Manager, provided they are included in the list of Allowable General Conditions Cost Line Items set forth in Exhibit H and the Town has approved the rentals and the rental rates in advance and in writing. Rental rates may include transportation, installation, and minor maintenance costs, and removal costs. For tools, machinery, or construction equipment rented directly from the Construction Manager, the rental rate, including freight and delivery costs and all operating expenses except labor, shall be approved in advance by the Town and shall be in accordance with either the "Rental Rate Blue Book for Construction Mobilization Costs" published by Primedia, latest edition, or the most recent rates provided by Equipmentwatch.com, but no higher than the prevailing competitive rates for rental of similar equipment in the Project vicinity.

6. The aggregate rental cost of any item charged to the Town shall not exceed 50% of the purchase price and maintenance cost of the item without prior written approval by the Town. If the anticipated aggregate rental cost for an item of equipment matches the purchase and maintenance price, the Construction Manager shall purchase the equipment and turn it over to the Town upon final completion of the Work or, at the Town's option, credit the Town with the fair market resale value of the item.

7. Permit and inspection fees paid by the Construction Manager where the Town is exempt will not be reimbursed by the Town.

8. Cost of premiums for normal and customary Construction Manager's Subcontractor default insurance at the rate of 3.3% of the cost of subcontracts and Subcontractor's liability, Workers' Compensation, and builders risk insurance as required pursuant to Article 10 below, which shall be identified as separate line items within the applicable GMP. If the Construction Manager intends to utilize Subcontractor Liability Wrap-up Coverage (Z-25), it will be reimbursed at the rate of % of the Subcontract amount and credited from the Subcontractor bids. Commercial General Liability Insurance shall be reimbursed at the rate of 2.8% of the applicable GMP amount; Builders Risk Insurance shall be reimbursed at the rate of .02% of the applicable GMP amount. All amounts shall be identified as separate line items within the applicable GMP.

9. Cost of bond premiums to the extent directly attributable to the Project. Performance and Payment Bonds shall be reimbursed at 1.2% of the applicable GMP amount.

10. Governmental transaction privilege sales and use taxes directly attributable to the General Conditions Items that are not subject to exemption, in the form and at the rates legally enacted on the date of the first GMP, whether such taxes are effective or scheduled to go into effect. Such taxes paid on materials or services that were entitled to tax exemption will not be reimbursed by the Town as Direct Construction Costs.

B. Cost of the Work. The Construction Manager is entitled to receive payment for the actual cost of the allowable Cost of the Work items incurred after receipt of the Town's written Notice to Proceed with the Construction Phase Work through Final Completion of the Project. The Construction Manager is not entitled to reimbursement for Cost of the Work costs incurred before receipt of the Town's written Notice to Proceed. Cost of the Work includes the following:

1. Costs of materials, supplies, and equipment purchased directly by the Construction Manager and incorporated into or consumed in the performance of the Work,

including transportation charges, to the extent such costs of materials, supplies, and equipment are not included in the General Conditions Costs.

2. Costs of removal and disposal in accordance with all Applicable Laws and regulations of Site debris, non-hazardous substances, and waste materials, if not otherwise included in General Conditions.

3. Payments made by the Construction Manager to Subcontractors and their vendors or suppliers for the subcontract work in accordance with the Construction Documents and the requirements of the subcontracts with the Subcontractors, vendors, or suppliers.

4. Payments earned by the Construction Manager for self-performed subcontract work, other than General Conditions work, in accordance with the Construction Documents and the terms of this Contract and approved by the Town.

5. Fees and expenses for design services procured by the Construction Manager related to necessary modifications to the Construction Documents.

6. Intellectual property royalties and licenses for items specifically required by the Construction Documents which are, or will be, incorporated into the Work.

7. All costs associated with establishing, equipping, operating, maintaining, and demobilizing the field office at the Site.

8. All water, power, and fuel costs necessary for the Work.

9. Costs incurred due to an emergency affecting the safety of persons and/or property, excluding such costs related to the negligence or willful acts of the Construction Manager or any person or entity for whom the Construction Manager is responsible.

10. All costs directly incurred in the performance of the Work or in connection with the Project, and not included in the Contract Price as set forth in Article 7 below, which are reasonably inferable from the Contract Documents as necessary to produce the intended results, subject to the maximum price limitation established by the respective GMP.

11. Costs related to the Construction Manager's safety program related to the Project.

C. Exclusions from General Conditions Costs and Cost of the Work. The General Conditions Costs and Cost of the Work shall not include the following:

1. Any professional fees paid by the Town to the Project Designers or other consultants retained directly by the Town.

2. Any costs paid directly by the Town to Subcontractors or suppliers retained directly by the Town and outside the scope of all GMPs.

3. Any additional service costs as defined herein.

4. Any other costs not within the control of the Construction Manager or identified as being not within any GMP.

5. Any fees paid to the Construction Manager except those fees that may be paid to the Construction Manager for Pre-construction Phase Services above.

D. Construction Manager's Contingency.

1. The GMP Proposal may include an amount (the "Construction Manager's Contingency") to be used to fund increases in the Direct Construction Costs of the Project identified through the refinement, development, and completion of the Construction Documents or procurement of the Work. The Construction Manager's Contingency shall be negotiated between the Parties and it shall reflect the risk inherent in the state of completion of the Construction Documents at the time the GMP Proposal is submitted.

2. Any re-allocation of funds from the Construction Manager's Contingency to cover increases in the Direct Construction Costs must be approved by the Town in advance and in writing, which approval shall not be unreasonably withheld. In written requests to use the Construction Manager's Contingency, the Construction Manager shall provide detailed documentation of the scope of Work affected and the basis for any increases in costs resulting in the need to use Construction Manager's Contingency funds.

3. As the Construction Documents are finalized and the buyout of the Work progresses, the Construction Manager's Contingency amount shall be reduced by mutual agreement of the Town and the Construction Manager. The buyout shall occur within the first 20% of the construction duration for each Notice to Proceed issued for construction. Should savings occur after the buyout stage, such savings, and related reductions to the Construction Manager's Contingency amount, will be retained by the Town.

E. Calculation Methods; Audits.

1. The Town and the Construction Manager understand and agree that any GMP agreed to under the Project will be administered as a measured quantity/unit price guaranteed not-to-exceed contract. This not-to-exceed amount is defined by the individual work items and their associated competitively bid and/or negotiated unit prices plus negotiated on-site general conditions, fee structures, markups, and the Construction Manager's Contingency. Final contract price/payout will be based on field measured final completed quantities, approved unit prices, and approved Minor Adjustments and Change Orders. Furthermore, the term "actual cost" is defined as the final negotiated unit prices (costs) mutually agreed to by the Town and the Construction Manager. The Town and the Construction Manager understand and agree that individually priced, "self-performed" items may include the cost associated with the risk of delivering the work.

2. The Town and the Construction Manager understand and agree that the Town, its authorized representatives, and/or the appropriate federal or state agencies may audit the Construction Manager's records to verify the accuracy and appropriateness of all pricing data, including data used to negotiate any GMP, and including, but not limited to, self-performed items, qualifications-only selected Subcontractor items, Change Orders, use of allowance funds, and use of Construction Manager's Contingency funds. The Town and its authorized representatives shall have access, during normal working hours, to all necessary Construction Manager and Subcontractor facilities, and shall be provided adequate and appropriate workspace, to conduct audits in compliance with the provisions of this Subsection. The Town shall give the Construction Manager or Subcontractor reasonable advance notice of intended audits.

F. Discounts. All discounts for prompt payment shall accrue to the Town to the extent such payments are made directly by the Town. To the extent payments are made with funds of the Construction Manager, all cash discounts shall accrue to the Construction Manager. All trade discounts, rebates, and refunds, and all returns from sale of surplus materials and equipment, shall be credited to the Cost of the Work.

3.4 Construction Fee. The "Construction Fee" is the maximum amount payable to the Construction Manager for any cost or profit expectation incurred in the performance of the Work that is not specifically identified as being eligible for reimbursement by the Town elsewhere in this Agreement. The Construction Fee shall not exceed 7.0% of the total applicable GMP amount, excluding Construction Manager's Contingency. The Construction Fee includes, but is not limited to, the following items:

A. Profit. All profit, profit expectations, and costs associated with profit sharing plans such as personnel bonuses, incentives, and rewards; company stock options; or any other like expenses of the Construction Manager, which shall not exceed 5% of the total applicable GMP amount, excluding Construction Manager's Contingency.

B. Salaries. Salaries of the Construction Manager's officers, project manager(s), estimators, schedulers, and all other employees not stationed at the Project site and performing services directly related to the Project.

C. Overhead. Any and all overhead, labor, or general expenses of any kind unless specifically allowed under General Conditions. These costs include, but are not limited to: costs for the purchase, lease, rental, allowance, or maintenance of vehicles, radios/communication equipment, jobsite computers, copiers, and other business equipment, specialized telephone systems, and cellular/digital phones; home office operations and support staff (i.e. accounting, purchasing); trade or professional association dues; costs for hiring and/or relocation of any of the Construction Manager's personnel; and travel, per diem, and subsistence expense of the Construction Manager, its officers, or employees except as specifically allowed under General Conditions, which shall not exceed 5% of the total applicable GMP amount, excluding Construction Manager's Contingency.

D. Financial Costs. Any financial costs incurred by the Construction Manager including the cost of capital or interest on capital, regardless of whether it is related to the Project, and costs associated with construction warranty reserves.

E. Professional Fees. Any legal, accounting, professional, or other similar costs incurred by the Construction Manager, including costs incurred in connection with the prosecution or defense any dispute, mediation, arbitration, litigation, or other such proceeding related to or arising from the Project.

F. Taxes. Any Federal and/or State income and franchise taxes paid by the Construction Manager. Any levies, assessments, fines, penalties, sanctions, or other impositions made by any governmental body against the Construction Manager.

G. Damages and Related Costs. Any cost arising out of a breach of this Agreement or the fault, failure, or negligence of the Construction Manager, its Subcontractors, or any person or entity for whom they may be liable. These costs include, without limitation: costs to remedy defective, rejected, or nonconforming work, materials, or equipment; costs due to failure to coordinate the Work or meet CPM schedule milestones; costs arising from the Construction Manager's contractual indemnification obligations; liquidated or actual damages imposed by the Town for failure to complete the Work within the

Contract Time; costs due to the bankruptcy or insolvency of any Subcontractor; and damage or losses to persons or property.

H. Insurance Deductibles. The cost of any and all insurance deductibles payable by the Construction Manager and costs due to the failure of the Construction Manager or any Subcontractor to procure and maintain insurance as and to the extent required by the Contract Documents.

I. Costs in Excess of GMP. Any and all costs that would cause the Guaranteed Maximum Price to be exceeded.

J. Other Unidentified Costs. Any and all costs not specifically identified as an element of the Direct Construction Costs.

3.5 Competitive Bidding and Sub-Bids.

A. Subcontractor Selection. The Construction Manager will develop Subcontractor interest, submit the names of a minimum of three qualified Subcontractors for each trade in the Project for approval by the Town, and solicit bids for the various Work categories. If there are not three qualified Subcontractors available for a specific trade, the Construction Manager will request approval by the Town's Project Manager to submit less than three names. No change in the Town approved Subcontractors will be allowed without prior, written approval by the Town.

B. Town Objections. If, prior to receipt of sub-bids or prior to award of Subcontractors or suppliers, the Town objects to any nominated Subcontractor or supplier or to any self-performed Work for good reason, the Construction Manager will nominate a substitute Subcontractor or supplier, preferably if such option is still available, from those who submitted sub-bids for the Work affected. Once such substitute Subcontractors and suppliers are consented to by the Town, the Construction Manager's proposed GMP for the Work or portion thereof will be correspondingly adjusted to reflect any higher or lower costs from any such substitution.

C. Documents; Pre-bid Conference. The Construction Manager will distribute Construction Documents, and when appropriate, conduct a pre-bid conference with prospective Subcontractors.

D. Subcontractor Bid Submittal. The Construction Manager, at the required time, will close the bidding and collect all sub-bids received within the prescribed deadline for receipt of sub-bids. Promptly, after the closing of sub-bids, the Construction Manager will (in the presence of the Town's Project Manager and Project Designers) open and read all properly and timely submitted sub-bids. The Construction Manager will submit a completed Sub-Bid tabulation form to the Town's Project Manager within a reasonable time after the closing of the sub-bid opening proceedings.

E. Subcontractor Bid Evaluation. The Construction Manager, upon opening of sub-bids will evaluate them including, but not limited to, the evaluation of lower tier Subcontractors, Subcontractor qualification submittals, and prospective suppliers selected by each apparent low sub-bidder. The Construction Manager will resolve any sub-bid withdrawal, protest, or disqualification in connection with the award at no increase in the Cost of the Work.

F. Notice of Intent for Subcontracts. Within 15 Days after sub-bid opening, the Construction Manager will deliver to the Town's Project Manager a written notice of intent to award subcontracts, itemizing the Subcontractors and suppliers selected by the Construction Manager. The notice of intent to award subcontracts will detail (1) for each Subcontract the amount of the sub-bid and the

corresponding Subcontractor or supplier, (2) the sum of sub-bids received for all intended Subcontracts, and (3) trade work that the Construction Manager intends to self-perform, if any.

G. Pre-award Conference. Promptly after receipt of the notice of intent to award subcontracts, the Town will conduct a pre-award conference with the Construction Manager and other Project team members. At the pre-award conference, the Construction Manager will (1) review the nominated slate of Subcontractors and suppliers and discuss any concerns with or objections that the Town has to any nominated Subcontractor or supplier; (2) discuss any concerns the Town has to any proposed self-performed Work; (3) review the Construction Manager's proposed Contract Price for the Work during the construction phase; (4) resolve possible time frames for the commencement date of the Contract Time for the construction phase Work; (5) schedule the pre-construction conference; and (6) discuss other matters as necessary.

3.6 Submittal Requirements. The Construction Manager shall include with each GMP Proposal a written statement of its basis, which shall include:

A. Detailed Scope. A detailed scope of services related to the respective GMP Proposal, including a breakdown of the GMP as it relates to the applicable part of the overall Scope.

B. Documents. A list of the Construction Documents, including all addenda that were used in preparation of the respective GMP Proposal.

C. Allowances. A list of allowances and a statement of their basis.

D. Assumptions. A list of the assumptions and clarifications made by the Construction Manager in the preparation of the respective GMP Proposal to supplement the information contained in the Construction Documents.

E. Substantial Completion. The Substantial Completion date, if applicable, upon which the respective GMP Proposal is based and the Master Schedule for the Work upon which the respective Substantial Completion date is based, including a clear statement of the number of rain delay days included within the Master Schedule.

F. Alternate Prices. A schedule of applicable alternate prices.

G. Unit Prices. A schedule of applicable unit prices.

H. Additional Services. A statement of Additional Services included, if any.

I. Acceptance Period. The time limit for acceptance of the GMP Proposal.

3.7 GMP Proposal Review. The Construction Manager shall meet with the Town and the Project Designers to review each GMP Proposal. In the event that the Town discovers any inconsistencies or inaccuracies in the information presented, the Town shall give written notice to the Construction Manager, who shall make appropriate adjustments to the GMP, its basis or both.

A. Independent Estimate. Upon receipt of any GMP Proposal from the Construction Manager, the Town may submit the same documents that were used by Construction Manager in developing its GMP to an independent third party or to the Project Designers for review and verification. The third party or Project Designers will develop an independent estimate of the Cost of the Work and review the Master Schedule for the associated scope of the GMP Proposals.

B. GMP Exceeding Independent Estimate. If the Construction Manager's GMP Proposal is greater than the independent third party or Project Designers' estimate, the Town may require the Construction Manager to reconfirm its GMP Proposal. The Construction Manager will accept the independent third party's or Project Designer's estimate for the Cost of the Work as part of its GMP or present a written request, within seven Days of receiving the estimates, to the Town identifying, explaining, and substantiating the differences. The Construction Manager may be requested to, or at its own discretion may submit a revised GMP Proposal for consideration by the Town. At that time the Town may do one of the following:

1. Accept the Construction Manager's original or revised GMP Proposal, if within the Town's budget, without comment.
2. Accept the Construction Manager's original or revised GMP Proposal that exceeds the Town's budget and indicate in writing to the Construction Manager that the Project budget has been increased to fund the differences.
3. Reject the Construction Manager's original or revised GMP Proposal because it exceeds either or both the Town's budget and the independent third party's or Project Designers' estimate, in which event, the Town may terminate this Agreement.

C. Design Changes During Negotiation. If, during the review and negotiation of GMP Proposals, design changes are required, the Town will authorize and cause the Project Designers to revise the Construction Documents to the extent necessary to reflect the agreed-upon assumptions and clarifications contained in the final approved GMP Proposal. Such revised Construction Documents will be furnished to the Construction Manager. The Construction Manager will promptly notify the Project Designers and the Town's Project Manager if any such revised Construction Documents are inconsistent with the agreed-upon assumptions and clarifications.

3.8 No Prior Costs. Prior to the Town's acceptance of a GMP Proposal, the Construction Manager shall not incur any cost to be reimbursed as part of the Cost of the Work related to such GMP Proposal, except as provided in this Agreement or as the Town may specifically authorize in writing.

3.9 Acceptance; Effect. Upon acceptance by the Town of each GMP Proposal, the GMP contained therein and its basis shall be set forth in the applicable GMP Amendment. Once established, the GMP and the corresponding Substantial Completion date shall be subject to modification only as provided in Articles 6 and 8 below. The Town's approval of the GMP Amendment will include the amount of the Town's Contingency. The amount of the Town's Contingency will be set solely by the Town and will be in addition to the Project costs included in the Construction Manager's GMP Proposals. Use and management of the Town's Contingency is at the Town's sole direction.

3.10 GMP Effective Date. Each GMP Proposal shall not become a part of this Agreement until the Town accepts such GMP Proposal in writing by executing the applicable GMP Amendment, on or before the date specified in each such GMP Proposal for such acceptance.

3.11 Failure to Agree Upon GMP. If the Town and the Construction Manager do not agree to any provisions of the GMP Proposal, including the designated Default Neutral Arbitrator, all references in this Agreement to the GMP shall not be applicable, and the Parties shall proceed on the basis of reimbursement as provided in Article 7 below.

**ARTICLE 4
CONSTRUCTION SERVICES**

4.1 Control of Construction. After the date any Amendment to this Agreement is executed by the Town and the Construction Manager approving a GMP Proposal, the Construction Manager shall become responsible for the means, methods, sequences, and procedures used in the construction of the portion of the Project related to such GMP Proposal and shall proceed with the Construction Manager's Construction Services related to the GMP Proposal under this Agreement.

4.2 Completeness and Accuracy of Construction Manager Work. The Construction Manager will be responsible for the completeness and accuracy of its reviews, reports, supporting data, and other pre-construction deliverables prepared or compiled pursuant to its obligations under this Agreement and will at its sole expense correct its work or deliverables. The fact that the Town has accepted or approved the Construction Manager's work or deliverables will in no way relieve the Construction Manager of any of its responsibilities under this Agreement, nor does this requirement to correct the work or deliverable constitute a waiver of any claims or damages otherwise available by law or contract to the Town.

4.3 Alteration in Character of Work. In the event an alteration or modification in the character of work or deliverable materially increases or decreases the scope of service, cost of performance, or Master Schedule as determined by the Town, the Work or deliverable will nonetheless be performed as directed by the Town. However, before any altered or modified work begins, a Minor Adjustment or Change Order must be approved and executed by the Town and the Construction Manager to address such change. Such Minor Adjustment or Change Order will not be effective until approved by the Town. Additions to, modifications to, or deletions from the Project provided herein may be made, and the compensation to be paid to the Construction Manager may be adjusted accordingly, only by mutual agreement of the Parties. No claim for extra work done or materials furnished by the Construction Manager will be allowed by the Town except as provided herein, nor will the Construction Manager do any work or furnish any material(s) not covered by this Agreement unless such work or material is first authorized in writing by the Town. Work or material(s) furnished by the Construction Manager without such prior written authorization will be the Construction Manager's sole jeopardy, cost, and expense, and the Construction Manager hereby agrees that, without prior written authorization, no claim for compensation for such work or materials furnished will be made.

4.4 Construction Phase General Services. The Construction Manager 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 Town. All Work will be performed in a good and workmanlike and substantial manner according to the standards set forth in Subsection 1.6(A) above. The Work shall be to the satisfaction of the Town and strictly pursuant to and in conformity with the Project's Contract Documents, as modified and agreed to by the Town. The Construction Manager's Representative shall be reasonably available to the Town and shall have the necessary expertise and experience required to supervise the Work. The Construction Manager's Representative shall communicate regularly with the Town, but not less than once each week, and shall be vested with the authority to act on behalf of the Construction Manager. The Construction Manager's Representative may be replaced only with the written consent of the Town.

A. Government Approvals and Permits.

1. The Construction Manager shall be primarily responsible to obtain all necessary permits, approvals, and licenses required for the prosecution of the Work from any government or quasi-government entity having jurisdiction over the Project. The Construction

Manager is specifically reminded of the need to obtain the necessary environmental permits or file the necessary environmental notices.

2. Copies of the required permits and notices must be provided to the Town 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 Town's Representative. This provision does not constitute an assumption by the Town of an obligation of any kind for violation of said permit or notice requirements.

3. The Town shall be responsible for permit(s) and fees for building and demolition permits. The Town will also pay review fees for grading and drainage, water, sewer, and landscaping. The Town shall also pay for utility design fees for permanent services.

4. The Construction Manager shall be responsible for all other permits and review fees not specifically listed in Subsection 4.4(A)(1) above.

5. The Construction Manager is responsible for all water bills on the Project meters until Substantial Completion of the Project. Arrangements for construction water are the Construction Manager's responsibility.

B. Pre-construction Activities.

1. Prior to the commencement of any Work, the Town's Representative will schedule a pre-construction conference. The purpose of this conference is to establish a working relationship between the Construction Manager, utility firms, various Town agencies, and other entities as may be appropriate or beneficial. The agenda will include critical elements of the Work and Master 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 in the course of construction. Minimum attendance at the preconstruction conference shall be the Construction Manager's Representative, the job superintendent, the Construction Manager's safety officer, and the individuals deemed necessary by the Town.

2. The Notice to Proceed date will be set by the Town. At or after the pre-construction conference and upon delivery of the required bonds and insurance in a Town-approved format or at such other time as the Town may elect, a Notice to Proceed letter will be issued confirming the construction start date, the Contract Time, and the Substantial Completion date. Failure by the Construction Manager to provide the properly executed bond and insurance forms in a timely manner may delay the construction start date; however, it will not alter the proposed Substantial Completion date nor be a basis for any time extension request or other claims.

3. The Construction Manager shall update the Schedule of Values based on the categories used in the buyout of the Work but not greater than the approved GMP; the update shall identify the Construction Manager's Contingency. The Schedule of Values will subdivide the Work into all items comprising the Work.

C. Project Management.

1. The Construction Manager shall refine the Construction Management Plan for the Project. In refining the Construction Management Plan, the Construction Manager shall consider the Town schedule, cost, and design requirements for the Project. The Construction Manager shall then develop various alternatives for the sequencing and management of the Project

and shall make recommendations to the Town. The Construction Management Plan shall also include a description of the various proposal packages recommended for the Project. The Construction Management Plan shall be presented to the Town for acceptance.

2. The Construction Manager shall conduct periodic Project meetings attended by the Town's Representative, the Project Designers, and other necessary parties. Such meetings shall serve as a forum for the exchange of information concerning the Project and the view of construction progress. The Construction Manager shall prepare and distribute minutes of these meetings to the Town's Representative, the Project Designers, and others in attendance.

3. The Construction Manager shall coordinate transmittal of documents to regulatory agencies for review and shall advise the Town of potential problems in completing such reviews.

4. The Construction Manager shall assist the Town in public relations activities and shall prepare information for and attend public meetings regarding the Project.

D. Reports.

1. The Construction Manager shall prepare and distribute design phase change reports monthly to the Town that shall list all Town-approved Minor Adjustments and Change Orders as of the date of the report and shall state the effect of the Minor Adjustments and Change Orders on the Project budget and the Master Schedule.

2. The Construction Manager shall prepare and distribute schedule maintenance reports monthly to the Town comparing the actual and scheduled dates for Subcontractors' contract awards and completion of each such Subcontractor's portion of the Project.

3. The Construction Manager shall prepare and distribute the Project cost reports monthly to the Town specifying actual award prices and construction costs for each of the individually awarded components of the Project as compared to the Project budget.

4. The Construction Manager shall prepare and distribute cash flow reports monthly to the Town specifying actual cash flow for each of the individually awarded components of the Project as compared to the projected cash flow.

5. The requirements for filing reports set forth in this Subsection 4.4(D) shall not be deemed to meet the requirements for requests for extensions of time or requests for Minor Adjustments and Change Orders as set forth in Article 6 and Article 8 below.

4.5 Work Management.

A. Construction Manager Resources. Unless otherwise provided in the Contract Documents to be the responsibility of the Town or a separate contractor, the Construction Manager 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 the Construction Manager to complete the Work according to the Contract Documents. The Construction Manager shall provide and maintain a management team on the Site to provide contract administration. The Construction Manager shall establish and implement coordination and communication procedures among the Construction Manager, the Town, the Project Designers, and Subcontractors.

B. Means, Methods and Techniques. The Construction Manager shall perform all construction activities efficiently and with the requisite expertise, skill, and competence to satisfy the requirements of the Contract Documents. The Construction Manager shall at all times exercise complete and exclusive control over the means, methods, sequences, and techniques of construction.

C. Supervisor Presence. The Construction Manager's Representative or the Construction Manager's Superintendent shall be present at the Site at all times that construction activities are taking place.

1. All elements of the Work shall be under the direct supervision of a foreman or his designated representative on the Site who shall have the authority to take actions required to properly carry out that particular element of the Work.

2. In the event of noncompliance with this Subsection, the Town may require the Construction Manager to stop or suspend the Work in whole or in part.

D. Manufacturer Requirements. Where the Contract Documents require that a particular product be installed and/or applied by an applicator approved by the manufacturer, it is the Construction Manager's responsibility to ensure the Subcontractor employed for such work is approved by the manufacturer.

E. Measurements. Before ordering materials or doing work, the Construction Manager and each Subcontractor shall verify measurements at the Site and shall be responsible for the accuracy of such measurements. No extra charge or compensation will be allowed because of differences between actual dimensions and the dimensions indicated on the plans; differences shall be submitted to the Town for resolution before proceeding with the Work.

F. Field Measurements and Conditions. The Construction Manager shall take field measurements and verify field conditions and shall carefully compare such field measurements and conditions and other information known to the Construction Manager with the Construction Documents before commencing activities. Errors, inconsistencies, or omissions discovered shall be reported to the Town immediately.

G. Grades, Lines, Levels, and Bench Marks. The Construction Manager shall establish and maintain all building and construction grades, lines, levels, and bench marks, 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.

H. Proper Employee Conduct. Any person employed by the Construction Manager or any Subcontractor who, in the opinion of the Town, does not perform his work in a proper, skillful, and safe manner, or is intemperate or disorderly, or is otherwise found to be inappropriate due to the setting of the Site, shall, at the written request of the Town, be removed from the Site by the Construction Manager or Subcontractor employing such person, and the person shall not be employed again in any portion of Work without the written approval of the Town. The Construction Manager or Subcontractor shall hold the Town harmless from damages or claims which may occur in the enforcement of this Subsection.

I. Coordination of Activities. The Construction Manager shall coordinate the activities of all Subcontractors. If the Town performs other work on the Project or at the Site with separate contractors under the Town's control, the Construction Manager 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.

J. Change Processing. The Construction Manager shall establish and implement procedures for expediting and processing requests for information, Shop Drawings, material and equipment sample submittals, contract schedule adjustments, Minor Adjustments, Change Orders, substitutes, payment requests, and the maintenance of logs. The Construction Manager shall maintain daily job reports. The Construction Manager shall be the party to whom requests for information, submittals, Subcontractor schedule adjustments, substitutions, Minor Adjustment requests, Change Order requests, and payment requests shall be submitted.

K. Subcontractor Meetings. Periodically, the Construction Manager shall conduct meetings at the Site with each Subcontractor. The Construction Manager shall conduct coordination meetings with all Subcontractors. The Construction Manager shall record, transcribe, and distribute minutes to all attendees, the Town, and the Project Designers.

L. Coordination of Inspections and Testing. Technical inspection and testing provided by the Project Designers or others who are not Subcontractors shall be coordinated with the Construction Manager. The Construction Manager shall be provided a copy of all inspection and testing reports on or before the next business day after the inspection or test. The Construction Manager is not responsible for providing, nor does the Construction Manager control, the actual performance of such technical inspection and testing. The Construction Manager is performing a coordination function and is not acting in a manner so as to assume responsibility or liability, in whole or in part, for all or any part of such inspection and testing.

M. Self-Performed Work. The Construction Manager shall perform, with its own forces, construction Work that amounts to not less than 45% of the total Contract Price for construction of the Project. For the purposes of this paragraph, the total Contract Price for construction of the Project (1) includes the total of the GMP amounts as agreed upon by the Construction Manager and the Town, and (2) does not include the cost of preconstruction services, design services, or any other related services, or the costs to procure any right-of-way or other costs of condemnation.

N. No Subcontractor Reliance. Construction Manager shall ensure that each Subcontractor (1) has inspected the Site and has thoroughly reviewed this Agreement as the same may be revised by the Town, and is not relying on any opinions or representations of the Town, (2) agrees to perform and complete the Work in strict accordance with this Agreement and under the Construction Manager's direction, (3) agrees that any exclusions of any Work must be approved in writing by the Construction Manager prior to acceptance of any agreement between the Construction Manager and a Subcontractor or same shall not be excluded hereunder, (4) is responsible for all safety precautions and programs and shall provide all protection and necessary supervision to implement said precautions and programs as set forth in Section 4.13 below, (5) shall provide all competent supervision necessary to execute all Work and any work incidental thereto in a thorough, first-class, workmanlike manner, and (6) has acknowledged that it is Subcontractor's responsibility that all of the Work and any work incidental thereto conforms to, and is performed in accordance with, Applicable Law.

O. Subcontractor Change Request. The Construction Manager shall review the contents of a request for changes to the subcontract time or price submitted by a Subcontractor, assemble information concerning the request, and endeavor to determine the cause of the requests. In instances where the Construction Manager's analysis reveals that the request is valid, the Construction Manager shall prepare a detailed report to the Town for approval in accordance with Articles 6 and 8 below, as applicable. The Construction Manager shall also prepare and timely deliver a detailed report to the Town of other such requests and requests found to be invalid and timely inform the Subcontractor of any such determination. The Construction Manager shall prepare the necessary change documents for signature by the Subcontractor.

P. Quality Control. The Construction Manager shall establish and implement a program to monitor the quality of construction by itself and by Subcontractors. The purpose of the program shall be to protect the Town against defects and deficiencies in the Work of the Construction Manager or the Subcontractors. The Construction Manager shall reject the Work and transmit to the Subcontractor a notice of nonconforming work when the Construction Manager believes the Work does not conform to the requirements of the Contract Documents. Except for minor variations as stated herein, the Construction Manager is not authorized as part of this service to change, enlarge, relax, alter, or release any requirement of the Contract Documents or to approve or accept any portion of the Work not performed in accordance with the Contract Documents.

Q. Subcontractor Document Request. The Construction Manager shall coordinate and expedite submittals of information from the Subcontractors for record drawings and specification preparations and shall coordinate and expedite the transmittal of Project Record Documents to the Town.

R. Traffic Control. All traffic affected by the Work under this Agreement shall be regulated in accordance with the latest edition of the United States Department of Transportation *Manual on Uniform Traffic Control Devices* (the "MUTCD"), as supplemented and modified by the *Arizona Supplement*, published by the Arizona Department of Transportation ("Arizona Supplement"), and the *City of Phoenix Traffic Barricade Manual* (the "Barricade Manual"), which are incorporated herein by reference (collectively referred to herein as the "Traffic Control Requirements"). At the time of the pre-construction conference, each Subcontractor shall designate an employee who is well qualified and experienced in construction traffic control and safety to be responsible for implementing, monitoring, and altering traffic control measures, as necessary. At the same time, the Construction Manager will designate a representative who will be responsible to see that all traffic control and any alterations are implemented and monitored to the extent that traffic is carried through the Work area in an effective manner and that motorists, pedestrians, bicyclists, and workers are protected from hazard and accidents. The Construction Manager shall ensure that Subcontractors adhere to the following:

1. All traffic control devices and advance warning signs (such as REDUCE SPEED AHEAD, LOOSE GRAVEL, 25 MPH SPEED LIMIT, and DO NOT PASS) required for the Work under this Agreement shall be placed in accordance with the Traffic Control Requirements.

2. The Subcontractor shall provide, erect, and maintain all necessary flashing arrow boards, barricades, suitable and sufficient warning lights, signals, and signs, and shall take all necessary precautions for the protection of the Work and safety of the public. The Subcontractor shall provide, erect, and maintain acceptable and adequate detour signs at all closures and along detour routes.

3. All barricades and obstructions shall be illuminated at night, and all safety lights shall be kept burning from sunset until sunrise. All barricades and signs used by the Subcontractor shall conform to the standard design generally accepted for such purposes, and payment for all such services and materials shall be considered as included in the other pay items of the Agreement.

4. The Subcontractor shall ensure that all existing traffic signs are erect, clean, and in full view of the intended traffic at all times. Street name signs at major street intersections shall be maintained erect at all times. If these signs should interfere with construction, the Subcontractor shall notify the Town at least 48 hours in advance for Town personnel to temporarily relocate said signs. The Town will direct the Subcontractor as to the correct positions

to re-set all traffic and street name signs to permanent locations when notified by the Subcontractor that construction is complete.

5. When construction activities or traffic hazards at the Site require the use of flagmen, it shall be the Subcontractor's responsibility to provide trained flagmen to direct traffic safely.

6. Manual traffic control shall be in conformity with the Traffic Control Requirements. Off-duty police officers must be scheduled through the Chino Valley Valley Police Department or Yavapai County Sheriff's Department. The Town will reimburse the actual, documented cost of the off-duty police officers (no markups allowed). The Subcontractor will be required to present an overall estimate of off-duty officer hours required with the submission of its construction schedule. In the event the Subcontractor fails to prosecute the work in a timely manner, the Town shall notify the Subcontractor and may deny reimbursement for the off-duty officer(s).

7. The assembly and turnarounds of the Subcontractor's equipment shall be accomplished using adjacent local streets when possible.

8. Equipment used and/or directed by the Subcontractor shall travel with traffic at all times. Supply trucks shall travel with traffic except when being spotted. The Subcontractor shall provide a flagman or off-duty, uniformed law enforcement officer to assist with spotting.

9. During construction, it may be necessary to alter traffic control. Any such alterations shall be in accordance with the Traffic Control Requirements.

10. No street within the Project area may be closed to through traffic or to local emergency traffic without the Town's prior written approval. The Town may give written approval at its sole discretion and only if sufficient time exists to allow for notification of the public at least two Days in advance of such closing. Partial closure of streets within the Project shall be done in strict conformity with the Town's written directions.

11. Caution should be used when excavating near intersections with traffic signal underground cable. The Subcontractor shall notify the Town 24 hours in advance of any work at such intersections. The Subcontractor shall install and maintain temporary overhead traffic signal cable as specified by the Town when underground conduit is to be severed by excavations at intersections. The Subcontractor shall provide an off-duty uniformed police officer in accordance with Subsection 4.5(R)(6) above to direct traffic while the traffic signal is turned off and the wiring is transferred. All damaged or modified traffic signal overhead and underground items shall be repaired and restored to the Town's satisfaction. Magnetic detector loops shall, under no circumstances, be spliced.

12. The Subcontractor shall accommodate local access to adjacent properties in accordance with the specification set forth below.

13. Where crossings of existing pavement occur, no open trenches shall be permitted overnight, but plating may be permitted if conditions allow, as determined by the Town or its authorized representative in his sole discretion. If plates cannot be used, crossings shall either be backfilled or the Subcontractor shall provide a detour.

4.6 Control of the Work Site.

A. Debris Removal. Throughout all phases of construction, including suspension of Work, the Construction Manager shall keep the Site reasonably free from debris, trash, and construction wastes to permit the Construction Manager to perform its Construction Services efficiently, safely, and without interfering with the use of adjacent land areas. Upon Substantial Completion of the Work, or an agreed-upon portion of the Work, the Construction Manager shall remove all debris, trash, construction wastes, materials, equipment, machinery, and tools arising from the Work or applicable portions thereof to permit the Town to occupy the Project or an agreed upon portion of the Project for its intended use.

B. Dust Control. The Construction Manager shall implement dust control measures in accordance with MAG Specifications, Subsection 104.1.4, and in accordance with the requirements of applicable air pollution control rules and regulations.

C. Accessibility. The Construction Manager shall maintain “ADA” and “ANSI” accessibility requirements during construction activities in an occupied building or facility. ADA 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. The Construction Manager shall be responsible for the coordination of all work to minimize disruption to building occupants and facilities.

D. Material and Equipment Storage. Only materials and equipment that are to be used directly in the Work shall be brought to and stored on the Site by the Construction Manager. When equipment or materials are no longer required for the Work, each shall be removed promptly from the Site.

E. Protection of Site. Protection of the Work, the Site, and construction materials and equipment stored at the Site from weather, theft, damage, and all other adverse conditions is solely the responsibility of the Construction Manager.

4.7 Time Management.

A. Master Schedule Updates. The Construction Manager shall, not less than monthly, adjust and update the Master Schedule and distribute copies to the Town and the Project Designers. All adjustments to the Master Schedule must be (1) made for the benefit of the Project, and (2) acceptable to the Town; provided, however, that such adjustments or updates shall not extend the time for performance of the Work beyond the Substantial Completion date unless such extension is requested by the Construction Manager and approved by the Town in accordance with Article 6 below.

B. Subcontractor Schedule Verification. The Construction Manager shall review each Subcontractor’s construction schedule and shall verify that the schedule is prepared in accordance with the requirements of the Contract Documents and that it establishes completion dates that comply with the requirements of the Master Schedule.

C. Subcontractor Progress Monitoring. The Construction Manager shall (1) review the progress of construction of each Subcontractor on a monthly basis, (2) evaluate the percentage completion of each construction activity as indicated in the Subcontractor’s construction schedule, and (3) review such percentages with the Subcontractor. This evaluation shall serve as data for input to the periodic construction schedule report that the Construction Manager shall prepare and distribute to the appropriate Subcontractor, the Town’s Representatives, and the Project Designers. The report shall serve as the basis for (1) determining the actual progress compared to scheduled progress, and (2) determining the progress payment due to the Subcontractor. The Construction Manager shall determine and implement alternative courses of action that may be necessary to achieve contract compliance by the Subcontractor.

D. Change Evaluation. The Construction Manager shall, prior to the issuance of a Minor Adjustment or Change Order, determine the effect on the Master Schedule of time extensions requested by a Subcontractor. The Construction Manager may require a Subcontractor to prepare and submit a recovery schedule in the event the Subcontractor fails to meet the Master Schedule.

E. Minor Schedule Revisions. The Master Schedule shall be revised as required by conditions and progress of the Work, but such revisions shall not relieve the Construction Manager of its obligations to complete the Work within the Contract Time, as such dates may be adjusted in accordance with the Contract Documents.

F. Payment Requests. An updated Master Schedule shall be submitted monthly to the Town as part of the Payment Request.

1. The Construction Manager shall provide the Town with a monthly status report for the Master Schedule detailing the progress of the Work, including (a) if the Work is proceeding according to schedule, (b) any discrepancies, conflicts, or ambiguities found to exist in the Contract Documents that require resolution, and (c) other items that require resolution so as not to jeopardize ability to complete the Work as presented in the applicable GMP and within the Contract Time.

2. With each schedule submittal the Construction Manager shall include a transmittal letter including the following:

- a. Description of problem tasks (referenced to field instructions and requests for information), as appropriate.
- b. Current and anticipated delays including:
 - i. Cause of the delay.
 - ii. Corrective action and schedule adjustments to correct the delay.
 - iii. Known or potential impact of the delay on other activities, milestones, and the Substantial Completion date.
- c. Changes in construction sequence.
- d. Pending items and status thereof including but not limited to:
 - i. Time Extension requests.
 - ii. Other items.
- e. Substantial Completion date status:
 - i. If ahead of schedule, the number of Days ahead.
 - ii. If behind schedule, the number of Days behind.
- f. Other project or scheduling concerns.

G. Town Review. The Town's review of and response to the Master Schedule is only for general conformance with the scheduling requirements of the Contract Documents. The review shall not (1) relieve the Construction Manager from (a) compliance with the requirements of the Contract Documents, or (b) the time extension request process set forth in Article 6 below; or (2) be construed as relieving the Construction Manager of its complete and exclusive control over the means, methods, sequences, and techniques for executing the Work.

H. CPM Diagram. The updated Master Schedule shall include a CPM diagram schedule that shows the sequence of activities, the interdependence of each activity, and indicate the Critical Path.

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 shall be presented in a time-scaled graphical format for the Project as a whole.

2. The CPM diagram schedule shall indicate all relationships between activities.

3. The activities making up the Master Schedule shall be in sufficient detail to ensure 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. The CPM diagram schedule shall be based upon activities that coincide with the Schedule of Values.

5. The CPM diagram schedule shall show all submittals associated with each Work activity and the review time for each submittal.

6. The schedule shall show milestones, including milestones for Town-furnished information, and shall include activities for Town-furnished equipment and furniture when those activities are interrelated with the Construction Manager's activities.

7. The schedule shall include a Critical Path activity that reflects anticipated rain and weather delay during the performance of this 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 information provided by the National Weather Service or other source approved in writing by the Town.

I. Occupancy Consideration. The Master Schedule shall consider the Town's occupancy requirements showing portions of the Project having occupancy priority.

J. Float Time. Float time shall be as prescribed below:

1. The total Float within the overall Master Schedule is not for the exclusive use of either the Town or the Construction Manager, but is jointly owned by both and is a resource available to and shared by both Parties as needed to meet contract milestones and the Project completion dates.

2. The Construction Manager 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. Float time within the schedule is jointly owned;

no time extensions will be considered or granted, nor delay damages considered or paid until a delay occurs that extends the Work beyond the Substantial Completion date.

3. Town-caused delays on the Project may be offset by Town-caused time savings (i.e., Critical Path submittals returned in less time than anticipated by the Master Schedule; approval of substitution requests and credit changes which result in savings of time to the Construction Manager). In such an event, the Construction Manager shall not be entitled to have considered or receive a time extension or delay damages until all Town-caused time savings are exceeded, and the Substantial Completion date is also exceeded.

K. Occupancy/Use Plan. The Construction Manager shall prepare an occupancy plan for the Project. This plan shall be provided to the Town not later than 60 Days prior to the scheduled Substantial Completion date.

4.8 Cost Management.

A. Subcontract Schedule of Values. The Construction Manager shall, in coordination with the Subcontractors, determine a Schedule of Values for each of the construction subcontracts. The Schedule of Values shall be the basis for the allocation of the Contract Price to the activities shown on the Subcontractors' construction schedule. The Town shall approve the subcontract Schedule of Values before acceptance for progress billings.

B. Contract Price Allocation. Each Subcontractor's construction schedule shall have the applicable portions of the Contract Price allocated among the Subcontractor's scheduled activities so that each of the Subcontractor's activities shall be allocated a price and the sum of the prices of the activities shall be equal to or less than the total Contract Price. The Construction Manager shall review the Contract Price allocations and verify that such allocations are made in accordance with the requirements of the Contract Documents. Progress payments to a Subcontractor and the Construction Manager shall be based on the Subcontractor's percentage of completion of the scheduled activities as set out in each Subcontractor's construction schedule report and the Subcontractor's compliance with the Contract Documents.

C. Additional Information. In instances where a lump sum or unit price is not determined prior to performing Work described in a request for changes to the Contract Price, the Construction Manager shall request from the Subcontractor records for the cost of payroll, materials, and equipment, and the amount of payments to its Subcontractors, if any, incurred by the Subcontractor in performing the Work.

D. Trade-off Studies. The Construction Manager shall provide trade-off studies for various minor construction components. The results of the trade-off studies shall be in report form and distributed to the Town's Representative and the Project Designers.

E. Payment Applications. In consultation with the Project Designers, the Construction Manager shall review the payment applications submitted by each Subcontractor and determine whether the amount requested reflects the progress of the Subcontractor's work. The Construction Manager shall make appropriate adjustments to each payment application and shall prepare and forward a progress payment report to the Town. The progress payment report shall state the total Contract Price, payments to date, current payment requested, retainage, and actual amounts owed for the current period. Included in this report shall be a certificate for payment that shall be signed by the Construction Manager and delivered to the Town. The Construction Manager shall keep the Project and the Site free and clear of all liens and claims from its Subcontractors, suppliers, or materialmen.

4.9 Shop Drawings, Product Data, and Samples.

A. Purpose. 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 Manager proposes to conform to the information given and the design concept expressed in the Contract Documents.

B. Review. The Construction Manager shall review, approve, verify, and submit to the Project Designers five copies of each Shop Drawing, product data, sample, and similar submittal required by the Contract Documents so as to cause no delay in the Work or in the activities of the Town or of separate contractors. Submittals made by the Construction Manager that are not required by the Contract Documents may be returned without action.

C. Project Designer Approval. The Construction Manager 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 Project Designers. Such Work shall be in accordance with approved submittals.

D. Construction Manager Verification. By approving, verifying, and submitting Shop Drawings, product data, samples, and similar submittals, the Construction Manager represents that the Construction Manager has determined and verified materials, field measurements, and field construction criteria related thereto, or will do so, and has checked and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents.

E. No Deviation Approval; Errors. The Construction Manager shall not be relieved of responsibility for deviations from requirements of the Contract Documents by the Project Designer's approval of Shop Drawings, product data, samples, or similar submittals, unless the Construction Manager has specifically informed the Project Designer in writing of such deviation at the time of submittal and the Project Designer has given written approval to the specific deviation. The Construction Manager shall not be relieved of responsibility for errors or omissions in Shop Drawings, product data, samples, or similar submittals by the Project Designer's approval thereof.

F. Highlight Changes. The Construction Manager 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 Project Designers on previous submittals.

G. Informational Submittals. Informational submittals upon which the Project Designer is not expected to take responsive action may be so identified in the Contract Documents.

H. Other Certifications. When professional certification of performance criteria of materials, systems, or equipment is required by the Contract Documents, the Project Designer shall be entitled to rely upon the accuracy and completeness of such calculations and certifications.

4.10 Quality Control, Testing, and Inspection.

A. New Materials. All materials used in the Work shall be new and unused, unless otherwise noted, and shall meet all quality requirements of the Contract Documents.

B. Inspection and Approval. All construction materials to be used in 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 Town or the Project Designers. Any material

rejected by the Town or the Project Designers shall be removed immediately and replaced in an acceptable manner.

C. Test Methods. The procedures and methods used to sample and test material will be determined by the Project Designers. Unless otherwise specified, samples and tests shall be made in accordance with MAG 700 Series and the standard methods of AASHTO or ASTM as referenced in the MAG 700 Series.

D. Testing Facility. The Construction Manager will select a pre-qualified independent testing laboratory and will pay for initial acceptance testing.

1. When the first and subsequent tests indicate noncompliance with the Contract Documents, the cost associated with that noncompliance and retesting will be paid for by the Construction Manager. The Construction Manager's Contingency cannot be utilized for the cost of re-testing.

2. When the first and subsequent tests indicate noncompliance with the Contract Documents, all retesting shall be performed by the same testing agency.

E. Cooperation. The Construction Manager will cooperate with the selected testing laboratory and all others responsible for testing and inspecting the Work and shall provide the laboratory's employees or agents access to the Work at all times.

F. At-source Approval. At the option of the Town, materials may be approved at the source of supply before delivery.

G. Code Compliance. Code compliance testing and inspections required by codes or ordinances, or by a plan approval authority shall be the responsibility of and shall be paid for by the Construction Manager, unless otherwise provided in the Contract Documents.

H. Responsibility. The Construction Manager's quality control testing and inspections shall be the sole responsibility of the Construction Manager and shall be paid for solely by the Construction Manager.

4.11 Trade Names and Substitutions.

A. Substitutions. Substitute or alternate items to Contract Document references to equipment, materials, or patented processes by manufacturer, trade name, make, or catalog number may be permitted, unless indicated that no substitutions are permitted, and if permitted are subject to the following:

1. The substitution shall be submitted by the Construction Manager in writing to the Project Designers.

2. The Construction Manager shall certify that the substitution will 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.

3. The submittal shall outline any required changes in the Contract Documents to adapt the design to the proposed substitution.

4. 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 the cost

of design, license fees, royalties, and testing. Also, the submittal shall include any request for adjustment in the Contract Time created by the substitution.

B. Samples; Additional Information. The Construction Manager, if requested by the Project Designers, shall submit samples or any additional information that may be necessary to evaluate the acceptability of the substitution.

C. Project Designer Determination. The Project Designers will make the final decision and will notify the Construction Manager in writing as to whether the substitution has been accepted or rejected.

D. Presumed Rejection. If the Project Designers do not respond in a timely manner, the Construction Manager shall continue to perform the Work in accordance with the Contract Documents and the substitution will be considered rejected.

4.12 Project Record Documents.

A. Redline Prints. During the construction period, the Construction Manager shall maintain at the Site a set of redline, blueline, or blackline prints of the Construction Documents and Shop Drawings for Project Record Document purposes. The Construction Manager will certify that these documents are up to date when it submits its monthly pay application. The Construction Manager shall also:

1. Mark these drawings to indicate the actual installation where the installation varies appreciably from the original Construction Documents and give particular attention to information regarding concealed elements that would be difficult to identify or measure and record later. Items required to be marked include, but are not limited to:

- a. Dimensional changes to the drawings.
- b. Revisions to details shown on drawings.
- c. Depths of foundations below first floor.
- d. Locations and depths of underground utilities.
- e. Revisions to routing of piping and conduits.
- f. Revisions to electrical circuitry.
- g. Actual equipment locations.
- h. Duct size and routing.
- i. Locations of concealed internal utilities.
- j. Changes made by Change Order or Minor Adjustment.
- k. Details not on original Contract Documents.
- l. Similar deviations, variations, and modifications.

2. Mark completely and accurately Project Record 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.

3. Mark Project Record Document sets with red erasable colored pencil.

4. Note Change Order or Minor Adjustment numbers, as required to identify the source of the change to the Construction Documents.

5. As a condition of Substantial Completion, submit Project Record Documents and Shop Drawings to the Town Representative for review and comment.

B. Corrections. Upon receipt of the reviewed Project Record Documents from the Town, the Construction Manager shall correct any deficiencies and/or omissions to the drawings and prepare the following for submission to the Town within 14 Days:

1. A complete set of electronic Project Record Documents prepared in AutoCAD format compatible with the Town's CAD technology. The Project Designers will provide files of the original Construction Documents to the Construction Manager for the use of preparing these final Project Record Documents or the Construction Manager may contract with the Project Designers to revise and update the electronic drawing files. Each drawing shall be clearly marked with "As-Built Document."

2. A copy of the Project Record Documents showing all redline mark-ups against the original versions.

4.13 Project Safety. The Construction Manager recognizes the importance of performing the Work in a safe manner so as to prevent damage, injury, or loss to (A) all individuals at the Site, whether working or visiting; (B) the Work, including materials and equipment incorporated into the Work or stored on-Site or off-Site; and (C) all other property at the Site or adjacent thereto.

A. Responsibility. The Construction Manager assumes responsibility for implementing and monitoring all safety precautions and programs related to the performance of the Work.

B. Safety Representative. The Construction Manager 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, the Construction Manager's safety representative shall be an individual stationed at the Site who may have other responsibilities on the Project in addition to safety.

C. Daily Inspections. The Construction Manager's safety representative shall make routine daily inspections of the Site and shall hold weekly safety meetings with the Construction Manager's personnel, Subcontractors, and others as applicable. The Construction Manager shall provide copies of daily inspection reports and weekly safety meeting minutes, with the monthly payment applications.

D. Legal Requirements. The Construction Manager and Subcontractors shall comply with Applicable Law relating to safety, as well as any Town-specific safety requirements set forth in the Contract Documents, provided that such Town-specific requirements do not violate Applicable Law. If the Construction Manager believes a Town-specific requirement violates Applicable Law, the Construction Manager shall notify the Town of such violation within 24 hours of discovery.

E. Reporting. The Construction Manager will immediately report in writing any safety-related injury, loss, damage, or accident arising from the Work to the Town's Representative and, to the extent mandated by Applicable Law, to all government or quasi-government authorities having jurisdiction over safety-related matters involving the Project or the Work.

F. Subcontractor Responsibility. The Construction Manager's responsibility for safety under this Section is not intended in any way to relieve Subcontractors of their own contractual and legal obligations and responsibility for (1) complying with Applicable Law, including those related to health and safety matters, and (2) 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.

4.14 Substantial Completion. When the Construction Manager considers that the Work has reached Substantial Completion, it shall submit a request to the Town's Project Manager for a certificate of Substantial Completion. Substantial Completion must occur not later than the date set forth in the applicable GMP Amendment, subject to modification by changes in the Contract Time according to Article 6 below. A prerequisite for Substantial Completion, over and above the extent of construction completion required, is receipt by the Town of acceptable documentation that the Construction Manager has successfully tested and demonstrated all systems for their intended uses. In consultation with the Project Designers, the Town shall determine when the Project and the Construction Manager's Work is substantially complete. The Substantial Completion date shall be confirmed by a Certificate of Substantial Completion signed by the Town and the Construction Manager. The Certificate of Substantial Completion shall state the respective responsibilities of the Town and the Construction Manager for security, maintenance, and damage to the work and insurance. The Certificate of Substantial Completion shall also include the Punch List as created by the Construction Manager and modified by the Project Designers in consultation with the Town and establish the time for completion and correction of all Punch List items. The Construction Manager shall proceed promptly to complete and correct Punch List items. Failure to include an item on the Punch List does not alter the responsibility of the Construction Manager to complete all Work in accordance with the Contract Documents. If the Town and the Construction Manager cannot agree as to the appropriate Substantial Completion date, such issue shall be submitted for dispute resolution in accordance with the procedures set forth in Article 13 below. Notwithstanding such disagreement, the Construction Manager shall diligently proceed with completion of the Punch List items. Warranties required by the Contract Documents shall commence on the Substantial Completion date or designated portion thereof unless otherwise provided in the Contract Documents.

4.15 Final Completion. In consultation with the Project Designers, the Town shall determine when the Project and the Construction Manager's Work has reached Final Completion. Final Completion must occur not later than 60 Days after the Substantial Completion date, subject to modification by changes in the Contract Time in Article 6 below. Final Completion shall be achieved only upon the Town's written acceptance of (A) the construction, (B) all testing, (C) demonstration by the Construction Manager that the Work functions as required by the Contract Documents and meets all Contract Document requirements, (D) resolution of all outstanding system deficiencies and Punch List items, if any, (E) delivery of all as-built documentation, drawings, completed Project Record Documents (with revisions made after Substantial Completion), annotated submittals and design document deliverables, (F) submittal, acceptance, and delivery of the 100% complete O&M manuals, (G) delivery of warranties, guarantees, inspection certificates, bonds and all other required documents, (H) all pre-requisites for final payment, and (I) submittal of Construction Manager's request for final payment and acceptance enclosing all required documentation. Upon Final Completion the Town shall issue a Certificate of Final Completion to the Construction Manager on behalf of the Town. Following receipt of payment from the Town, the Construction Manager shall make all payments due to the Subcontractors.

4.16 Correction of Defective Work.

A. During the Work. During the Work, Construction Manager shall take meaningful steps to commence correction of such nonconforming Work as notified by the Town. 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.

B. During Warranty Period. The Construction Manager agrees to correct any Work that is found to not be in conformance with the Contract Documents within the warranty period described in Subsection 5.6(A) below, or within such longer period to the extent required by the Contract Documents or as may be allowed by law. A progress payment, or partial or entire use or occupancy of the Project by the Town, shall not constitute acceptance of Work not in accordance with the Contract Documents.

C. Commencement by Construction Manager. The Construction Manager shall take meaningful steps to commence correction of nonconforming Work subject to Subsections 4.16(A) and (B) above within seven Days of receipt of written notice from the Town. 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 the Construction Manager fails to commence the necessary steps within such seven-Day period, the Town, in addition to any other remedies provided under the Contract Documents or allowed by law, may provide the Construction Manager with written notice that the Town will commence correction of such nonconforming Work with its own forces. If the Town corrects such nonconforming Work with its own forces, the GMP will be adjusted to deduct the cost to the Town. If the Town performs corrective Work after final payment, the Construction Manager shall be responsible for all reasonable costs incurred by the Town in performing such correction.

D. Emergencies. In the event nonconforming Work creates an emergency requiring an immediate response, the Construction Manager will respond and initiate corrections within 24 hours.

E. No Effect on Limitations Period. The two-year period referenced in Subsection 5.6(A) below applies only to the Construction Manager's obligation to correct nonconforming Work as provided in this Section and is not intended to constitute a period of limitations for any other rights or remedies the Town may have regarding the Construction Manager's obligations under the Contract Documents or as may be allowed by law.

4.17 Additional Services. Any Additional Services must be authorized in advance by the Town in writing; the Construction Manager shall furnish or obtain from others such authorized services. The Construction Manager shall be paid for these Additional Services by the Town as herein provided to the extent they exceed reasonably inferable obligations of the Construction Manager under this Agreement. Potential Additional Services include:

A. Planning. Providing additional planning surveys or alternative site evaluations other than as required or reasonably inferred in this Article 4.

B. Future/Outside of Project Design. Providing design services relative to future facilities, systems, and equipment that are not intended to be constructed as part of the Project, other than general planning and master planning for future work as indicated by the Town's Project program. Providing design and engineering of any work outside the Site if said work is not expressly identified and included in the Scope.

C. Major Document Revisions/Additional Documents. Making major revisions in the Construction Documents, or other documents when such revisions are inconsistent with written approvals or instructions previously given by the Town, or are due to causes beyond the control and without the fault and negligence or partial fault or negligence of the Construction Manager or its consultants or agents. Preparing additional documents for alternate, separate, or sequential bids, or providing services in connection with bidding, negotiation, or construction prior to the completion of the construction phase, other than as required or reasonably inferred in this Article 4. Making revisions to Construction Documents after the Town has approved them when revisions are due to causes beyond the control and not the fault or partial fault of the Construction Manager.

D. Advanced Soils Analysis. Providing additional soils sampling, classification, and analysis other than as required or reasonably inferred in the foregoing sections of this Article 4. The Construction Manager is entitled to rely upon the soils analysis and recommendations as provided by a geotechnical consultant, however, the Construction Manager is responsible for interpretation of such data

for the purpose of establishing the means and methods of construction and such interpretation shall not be considered Additional Services during the design phase or the construction phase.

E. Expert Testimony. Preparing to serve or serving as an expert witness for the Town in connection with any public hearing, arbitration proceeding, or legal proceeding wherein the Construction Manager or Subcontractor of the Construction Manager is not a party or allegedly at fault; provided, however, preparing to serve or serving as a fact witness for the Town or rendering testimony necessary to secure governmental approval for the Project shall not constitute an additional service.

F. Survey. Providing surveying services such as platting, mapping, subdivision agreements, or recording subdivision plats other than as required or reasonably inferred in this Article 4.

G. Additional Travel. Providing Additional Services and costs necessitated by out-of-town travel required of and approved in writing by the Town other than visits to the Project and other than for travel required to accomplish the Work.

H. Unrelated Services. Providing any other services not otherwise included in this Agreement, not reasonably inferred by this Agreement, or not customarily furnished in accordance with generally accepted contractual practices consistent with the term of this Agreement.

I. Replacement Work. Providing consultation concerning replacement of Work damaged by fire or other causes and not due in whole or in part to the Construction Manager's action or inaction during construction, or furnishing services required in connection with the replacement of such work.

J. Special Studies. Providing additional special surveys, environmental studies, and submissions required for approvals of governmental authorities or others having jurisdiction over the Project, other than as required or reasonably inferred in this Article 4.

K. O&M Analysis. Providing analyses of operating and maintenance costs other than as required for value analysis in Subsection 2.2(E) above, unless provided for in the Scope.

L. Assisting with Town-Performed Work. Designing and providing other services supporting the procurement of materials to be obtained, or work, if any, to be performed by the Town, that are not a part of the Work.

ARTICLE 5 POST-CONSTRUCTION PHASE

5.1 Final Accounting and Close-out. At the conclusion of the Project, the Construction Manager shall prepare final Project accounting and close-out reports.

5.2 Occupancy Plans. The Construction Manager shall prepare and distribute reports as necessary associated with the occupancy plan.

5.3 Certificates. The Construction Manager shall secure required certificates of inspection, testing, or approval and deliver them to the Town.

5.4 Manufacturer Manuals and Warranties. The Construction Manager shall require the Subcontractors to provide manufacturers' operations and maintenance manuals, warranties, and guarantees for materials and equipment installed in the Project. Prior to Final Completion of the Project, the Construction Manager shall compile such manuals, warranties, and guarantees, bind same in an organized

manner, and deliver the bound materials to the Town; the Town shall not be required to issue the final payment to the Construction Manager pursuant to Section 9.6 below until after the compiled manuals, warranties, and guarantees have been delivered to the Town. At the discretion of the Town, electronic records may be substituted for the bound materials required in this Section.

5.5 Inspection and Testing. With the assistance of the Town's maintenance personnel, the Construction Manager shall direct the inspection of utilities and operations of systems and equipment for readiness, and assist in their initial start-up and testing.

5.6 Warranties.

A. Warranty for the Work. The Construction Manager or its assignee shall give to the Town a two-year warranty against deficiencies in material and workmanship for all Work on the Project or other such warranty as required by the Town, which warranty shall begin on the Substantial Completion date. Any material deficiencies in material or workmanship identified by the Town staff during the two-year warranty period shall be brought to the attention of the Construction Manager or its assignee that provided the warranty, which both shall promptly remedy or cause to be remedied such deficiencies to the reasonable satisfaction of the Town Engineer. Continuing material deficiencies in a particular portion of the Work shall be sufficient grounds for the Town to require (1) an extension of the warranty for an additional two-year period, and (2) the proper repair of, or the removal and reinstallation of, that portion of the Work that is subject to such continuing deficiencies. Regardless of whether the applicable warranty period has expired, the Construction Manager agrees to repair any damage to the Work caused by construction activities on the Site. Nothing contained herein shall prevent the Town or the Construction Manager from seeking recourse against any other person or entity for damage to the Work caused by such third party.

B. New Materials. The Construction Manager warrants that all materials and equipment furnished under construction phase(s) of this Agreement are (1) new unless otherwise specified and approved by the Town, (2) of good quality, (3) in conformance with the Contract Documents, and (4) free from defective workmanship, defective materials, and Hazardous Materials. Warranties shall commence on the date of Substantial Completion of the Work or of a designated portion if the warranted items are fully installed, operational, and available for use, and if not, at such time after the date of Substantial Completion as they are fully installed, operational, and available for use.

C. Actions by Others. Construction Manager's warranty obligation excludes defects caused by abuse, alterations, or failure to maintain the Work by persons other than Construction Manager or anyone for whose acts Construction Manager may be responsible and/or liable.

D. No Limitation on Other Warranties. Nothing in this warranty is intended to limit any manufacturer's warranty that provides the Town with greater warranty rights than set forth in this Section or the Contract Documents.

E. No Limitation on Legal Remedies. Nothing in this warranty is intended to limit any other remedy at law that may be available to the Town.

ARTICLE 6 CONTRACT TIME

6.1 Progress and Completion. The Town and the Construction Manager agree the time limits stated in the Contract Documents, as the same may be amended and updated by the Parties, are of the essence of this Agreement.

6.2 Commencement of the Work. The Work, except for the (A) environmental investigation services set forth in Section 2.1 above, (B) review of Construction Documents and design remedies services set forth in Section 2.2 above, and (C) Pre-Construction Phase General Services set forth in Section 2.3 above, shall commence on the Notice to Proceed date of the applicable GMP Amendment, and shall proceed in general accordance with the Schedule for the Work set forth therein. Each GMP Amendment shall establish a separate Notice to Proceed date, Substantial Completion date, and portion of the Contract Time applicable to that GMP. The Substantial Completion dates may be sequential or may run consecutively.

6.3 Prosecution of the Work. The Construction Manager shall prosecute the Work so that the portion of the Work completed at any point in time shall be not less than as required by the Master Schedule. If the delay is an Inexcusable Delay, as defined below, the Construction Manager shall prepare a recovery schedule for the Town's review and approval, showing how the Construction Manager will compensate for the delays and achieve Substantial Completion by the date shown on the Master Schedule. If the Construction Manager is unable to demonstrate how it will overcome Inexcusable Delays, the Town may order the Construction Manager to employ such extraordinary measures as are necessary to bring the Work into conformity with the date of Substantial Completion set forth therein, the costs of which shall be included as part of the Cost of the Work. If the delay is an Excusable Delay, as defined below, the Town shall either (A) authorize an equitable extension in the Master Schedule to account for such delay, and equitably adjust the GMP on account of such delay, or (B) request that the Construction Manager prepare a recovery schedule showing how (if possible) the Construction Manager can achieve Substantial Completion by the date shown on the Master Schedule, and equitably adjust the applicable GMP in accordance with the Change Order provisions of this Agreement related to any extraordinary activities required of the Construction Manager on account of such recovery schedule.

6.4 Critical Path Activities. To the extent the Construction Manager completes activities on the Critical Path earlier than scheduled, the savings in time on account thereof shall belong solely to the Construction Manager.

6.5 Construction Activities. At such time as the Construction Documents, or any portion thereof, are complete, the Construction Manager shall submit a revised Master Schedule to the Town for incorporation into the Contract Documents, which will expand the Master Schedule approved to date, but which will not, in and of itself, change the Substantial Completion date for the Project. This revised Master Schedule shall be based upon a CPM and shall show in complete detail starting and completion time of detail activities, the sequence of the Work, and all significant activities.

6.6 Extensions of Time.

A. Limited to Excusable Delay. An extension in the scheduled Substantial Completion date will only be granted in the event of Excusable Delays affecting Work activities on the Critical Path. The Construction Manager shall be entitled to general condition costs and extra costs related to the Excusable Delay for idle labor, equipment inefficiency, and lost productivity of the performance of the Work; however, the Construction Manager must submit evidence reasonably satisfactory to the Town substantiating such costs. Such adjustment to the contract sum and Substantial Completion date shall be issued in an amendment to this Agreement.

B. Excusable Delays. To the extent any of the following events results in an actual delay in the Work affecting activities on the Critical Path, such shall constitute an "Excusable Delay" (to the extent not set forth below, a delay will be considered an "Inexcusable Delay"):

1. Delays resulting from Force Majeure events. 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, floods, 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. The Force Majeure shall be deemed to commence when the Party declaring Force Majeure notifies the other Party, in accordance with Section 14.6 below, of the existence of the Force Majeure and shall be deemed to continue as long as the results or effects of the Force Majeure prevent the Party from resuming performance in accordance with this Agreement. Force Majeure shall not include (a) late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences, or (b) late performance by a Subcontractor unless the delay arises out of a Force Majeure occurrence in accordance with this Subsection 6.6(B). 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. The delayed Party shall cause such delay to cease as soon as practicable and shall notify the other Party in writing. The time of Substantial Completion or Final Completion shall be extended by written amendment for a period of time equal to the time that the results or effects of such delay prevent the delayed Party from performing in accordance with this Agreement.

2. Differing, unusual, or concealed Site conditions that could not reasonably have been anticipated by the Construction Manager in preparing the Master Schedule, including, without limitation, archeological finds and unusual soil conditions (including rock or other geological conditions), underground foundations, abandoned or not properly identified utility lines, and water conditions.

3. Delays resulting from the existence or discovery of Hazardous Materials on the Site not brought to the Site by or on behalf of the Construction Manager.

4. Delays resulting from changes in Applicable Law occurring after the date of execution of this Agreement.

5. Delays occurring due to the acts or omissions of the Town and those within the control of the Town.

6. Delays occurring due to the acts or omissions of a utility, so long as the Construction Manager has coordinated with the utility causing the delay, and the delay occurs despite reasonable steps taken by the Construction Manager to avoid the delay.

7. Delays resulting from weather conditions that make it unreasonable to perform the Work in accordance with the Master Schedule.

C. Process for Requesting Extension of Time. To obtain an extension of time due to an Excusable Delay, the Construction Manager must comply with the following requirements: the Construction Manager shall notify the Town of the Excusable Delay as soon as practicable, but in no event more than seven Days after the Construction Manager becomes aware of the occurrence of the Excusable Delay. Such notice shall describe the Excusable Delay and shall state the approximate number of Days the Construction Manager expects to be delayed. After the cessation of the Excusable Delay, the Construction Manager shall notify the Town of the number of Days the Construction Manager believes that its activities were in fact delayed by the Excusable Delay. In the event that the delay arises as a result of a Change Order

request by the Town, the request for an extension of time contained in the resulting Change Order proposal or amendment to this Agreement, as applicable, shall be deemed sufficient for purposes of this Subsection.

D. Town Determination. Within 10 Days after cessation of an event giving rise to either an Excusable Delay or Inexcusable Delay, the Parties will use good faith efforts to agree on the extent to which the Work has been delayed and whether the delay is an Excusable Delay or an Inexcusable Delay. In the absence of agreement between the Parties as to the then-current status of Excusable Delays and Inexcusable Delays, the Town will provide the Construction Manager with written notice of the Town's determination of the number of Days of Excusable Delay and/or Inexcusable Delay within 10 Days after receipt by the Town of the Construction Manager's written request for such determination. The Construction Manager shall not, however, deem an issuance by the Town of such a determination to be a concurrence with any matters set forth in the Construction Manager's request. The Construction Manager may invoke the dispute resolution procedures set forth in Article 13 below with respect to such determination.

6.7 Concurrent Delays. To the extent the Construction Manager may be 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 Manager or by an Inexcusable Delay, the Construction Manager shall not be entitled to any additional costs for the period of such concurrency.

6.8 Weather Delays. The Construction Manager shall include and clearly identify an appropriate number of Days of weather-related delays within (A) the aggregate Master Schedule for the Work, and within the portions of the Master Schedule submitted with each GMP Proposal relating to any phase of the Project, and (B) each GMP Amendment. If the Construction Manager experiences additional weather-related delays beyond the number of Days set forth in the Master Schedule and the GMP Amendment, the Construction Manager shall be entitled to commensurate extension of time and reimbursement of costs associated with such delay; provided such requests for extensions of time are submitted and approved according to the process set forth in Section 6.6 above. If the Construction Manager fails to include an appropriate number of Days of weather-related delays within the applicable GMP Proposal for any portion of the Project, the Construction Manager shall not be eligible for any extension of time or reimbursement of costs related to otherwise Excusable Delays relating to weather for the applicable GMP Proposal.

6.9 Liquidated Damages.

A. Established. The Construction Manager and the Town acknowledge that in the event that the Construction Manager fails to achieve Substantial Completion or Final Completion of the Project by the dates established therefore in the applicable GMP Amendment, as adjusted, the Town will incur substantial damages and the extent of such damages shall be incapable of accurate measurement. Nonetheless, the Parties acknowledge that on the date of this Agreement, the amount of liquidated damages set forth below represents a good faith estimate as to the actual potential damages that the Town would incur as a result of late Substantial Completion or Final Completion of the Project. Such liquidated damages shall be the sole and exclusive remedy of the Town for late completion of the Project, and the Town hereby waives all other remedies available at law or in equity with respect to losses resulting from late completion. The amount of the liquidated damages calculated hereunder does not include any penalty.

B. Amount of Liquidated Damages.

1. If the Construction Manager fails to achieve Substantial Completion of that portion of the Work applicable to a particular GMP Proposal on or before the Substantial Completion date set forth in the applicable GMP Proposal, as adjusted, for any reason other than

Excusable Delays, the Construction Manager shall pay to the Town liquidated damages in the amount per Day as determined by the MAG Specifications existing on the date this Agreement is approved by the Town for each Day Substantial Completion is delayed beyond the Substantial Completion date set forth in the applicable GMP Amendment.

2. If the Construction Manager fails to achieve Final Completion of that portion of the Work applicable to a particular GMP Proposal on or before the Final Completion date, as adjusted, for any reason other than Excusable Delays, the Construction Manager shall pay to the Town liquidated damages in the amount per Day as determined by MAG Specifications for each Day Final Completion is delayed beyond the Final Completion date established according to the applicable GMP Amendment.

3. In no case may the amount of liquidated damages due under this Subsection 6.9(B) for any single Day of delay exceed the highest amount, as determined according to MAG Specifications, that would be charged for any single Inexcusable Delay existing on such Day.

4. Payment of liquidated damages is to be made contemporaneously with any required payment to the Construction Manager, and such payments may be offset against each other.

ARTICLE 7 CONTRACT PRICE

7.1 Pre-construction Phase Compensation.

A. Project Designers' Services Not Included. The cost of services performed directly by the Project Designers are not included in the Construction Manager's compensation.

B. Amount. The Town shall pay the Construction Manager an amount not to exceed \$_____ on a time and materials basis, for services performed during the Pre-construction Phase, as set forth in Article 2 above, and as more particularly described in the Pre-Construction cost summary, attached hereto as Exhibit I and incorporated herein by reference, including all cost items, allowances, and reimbursable expenses.

C. Equitable Adjustment. Compensation of Pre-construction Services shall be equitably adjusted if such services extend beyond [fill in date], for reasons beyond the reasonable control and not the fault or partial fault of the Construction Manager or as provided in Section 8.2 below. For changes in Pre-construction Services, compensation shall be adjusted as mutually agreed upon by the Town and the Construction Manager at the time of such extended services.

D. Payments. Payments for Pre-construction Services shall be due and payable within 30 Days following approval of the Construction Manager's monthly invoice by the Town. Payments due the Construction Manager that are unpaid for more than 30 Days from the due date of the invoice shall bear interest at the statutory rate.

7.2 Construction Phase Compensation. The portion of Contract Price applicable to the Construction Services shall be the aggregate of all approved GMP Amendments.

A. GMP. The Guaranteed Maximum Price is composed of the Direct Construction Costs and the Construction Fee. The Construction Manager is at risk to cover any additional Project costs.

To the extent the combined total of the Direct Construction Costs and the Construction Fee at the conclusion of the Project is less than the GMP, the difference shall be retained by the Town.

B. GMP Adjustment. If a GMP requires an adjustment due to changes in the Work, the cost of such changes is determined subject to Article 8 below. The markups permitted on such changes shall be no greater than the markups delineated in the approved GMP.

C. The Town's Contingency. The Town's Contingency funds are to be used at the discretion of the Town to cover any increases in Project costs that result from the Town-directed changes or unforeseen Site conditions. The Town's Contingency will be approved in conjunction with the applicable GMP Amendment but will not be included in the full Contract Price. Markups for Construction Fee and taxes will be applied by the Construction Manager at the time that the Town's Contingency is used. The amount of contingency for each GMP amendment will be negotiated separately.

D. Payment Data. The Construction Manager shall submit to the Town, 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 contracts between the Construction Manager and its Subcontractors and Consultants. The Town may exercise its rights under this Section as often as reasonably necessary in the Town's sole judgment to ensure the Town has a complete and accurate understanding of all Project costs.

7.3 Adjustment in the Contract Price. Adjustment to the respective components of the Contract Price shall be made as follows:

A. Changes in the Work. For changes in the Work as provided in Article 8 below, the applicable Contract Price shall be adjusted as mutually agreed by the Parties, in writing, prior to commencement of any work pursuant to such changes.

B. Delays in the Work. For delays in the Work not caused, in whole or in part, by the Construction Manager, Subcontractors, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, there will be an equitable adjustment in the Contract Price to compensate the Construction Manager for increased expenses due to unforeseeable circumstances, according to the requirements of Article 6 above.

C. Replacement Work. If the Construction Manager is placed in charge of managing the replacement of an insured or uninsured loss not caused by or the fault of the Construction Manager or other parties identified in Subsection 7.3(B) above, the Construction Manager shall be paid an additional fee in the same proportion that the applicable portion of the Contract Price bears to the estimated applicable Cost of the Work, or as otherwise agreed to by the Parties.

ARTICLE 8 CHANGES IN THE WORK

8.1 Prescribed Methods for Changes. Changes in the Construction Manager's Services shall only be made by a written Minor Adjustment or Change Order to this Agreement signed by the Town and the Construction Manager. Changes involving (A) a change in the not-to-exceed amount for the Pre-Construction Services set forth in Section 7.1 above, or (B) a change in any GMP, shall be considered a Change Order and must be approved as an amendment to this Agreement and executed by the Town and the Construction Manager. The Construction Manager shall not (A) perform any additional Services, or (B)

eliminate any duties included in the Services until a written amendment addressing the Change Order has been properly approved and executed by both Parties. The Construction Manager shall proceed to perform the Services required by the Change Order only after receiving written notice from the Town directing the Construction Manager to proceed.

8.2 Change Control System. The Construction Manager shall establish and implement a change control system. All proposed changes shall first be described in detail in writing by the requesting party. The requesting party shall submit detailed information to the Construction Manager for evaluation concerning the costs and time adjustments, if any, necessary to perform the proposed changed work. The Construction Manager shall discuss the proposed change with the appropriate Subcontractor and endeavor to determine the Subcontractor's basis for the cost to perform the work and the effect, if any, on the applicable GMP. The Construction Manager shall make a recommendation to the Town pursuant to this Article 8 prior to the Town's acceptance of all change requests.

8.3 Minor Adjustments; Change Orders; GMP Adjustments. Changes in the Work that are within the general scope of this Agreement may be accomplished by Minor Adjustment without invalidating this Agreement; provided, however, that any change in the Work that will result in an increase to a GMP or extension of the Substantial Completion date shall be pursuant to a Change Order approved by a written amendment to this Agreement clearly delineating the amounts attributable to compensation for the General Conditions Costs, the Construction Fee and other Cost of the Work.

8.4 Determination of Cost. An increase or decrease in a GMP resulting from a change in the Work shall be determined by one or more of the following methods:

- A. Unit prices set forth in this Agreement or as subsequently agreed.
- B. Mutually accepted, itemized lump sum.
- C. Costs determined as defined in Article 3 above.
- D. If an increase or decrease cannot be agreed to as set forth in Subsections 8.4(A) and (B) above and the Town issues a written order for the Construction Manager to proceed with the change, the cost of the change in the Work shall be determined by the reasonable expense or savings of the performance of the Work resulting from the change.

8.5 No Obligation to Perform. The Construction Manager shall not be obligated to perform changed Work until a Minor Adjustment or a Change Order/amendment to this Agreement, as applicable, has been executed by the Town and the Construction Manager, except as provided in Subsection 8.4(D) above.

8.6 Adjustment of Unit Prices. If a proposed change alters original quantities to a degree that application of previously agreed to unit prices would be inequitable to either the Town or the Construction Manager, the unit prices shall be equitably adjusted, and, if the result is an increase to a GMP, an amendment to this Agreement shall be executed.

8.7 Unknown Conditions. If, in the performance of the Work, the Construction Manager or its Subcontractor finds latent, concealed, or subsurface physical conditions that (A) differ from the conditions the Construction Manager or its Subcontractor should have reasonably anticipated, (B) differ substantially from available soils reports, or (C) differ substantially and materially from those normally encountered and generally recognized as inherent in the kind of work provided for in this Agreement at this location (occurrence of shifting and expansive soils, including clay soils and sandstone expressly noted as commonly occurring in the Project area), then the applicable GMP compensation and/or the Substantial Completion

date may be equitably adjusted only if the Construction Manager notifies the Town within seven Days after the conditions are first observed in accordance with Article 6 above.

8.8 Emergencies. In any emergency affecting the safety of persons and/or property, the Construction Manager shall act, at its discretion, to prevent threatened damage, injury, or loss. Any change in a GMP, compensation for Pre-construction Services, the Contract Price, and/or extension of the Substantial Completion date on account of emergency work shall be determined as provided in this Agreement.

ARTICLE 9 PAYMENT

9.1 Progress Payments.

A. Submittal Process. On or before the 15th day of each month after the construction phase has commenced, the Construction Manager shall submit to the Town an "Application for Payment" consisting of the Cost of the Work performed up to the end of the prior month, including the cost of material stored on the Site or at other locations approved by the Town, along with a proportionate share of the Construction Fee. For the purpose of audit, prior to submission of the next Application for Payment, the Construction Manager shall make available at the request of the Town a statement accounting for the disbursement of funds received under the previous Application. The form and extent of such statement shall be as agreed upon between the Town and Construction Manager.

B. The Town's Payment. Within seven Days after approval of each monthly Application for Payment, the Town shall pay directly to the Construction Manager the appropriate amount for which Application for Payment is made, less amounts (1) previously paid by the Town, (2) sufficient to pay expenses the Town reasonably expects to incur in correcting deficiencies that are set forth in writing and provided to the Construction Manager, and (3) any retainage as set forth in Section 9.2 below.

C. No Liens. The Construction Manager warrants and guarantees that the title to all Work, materials, and equipment covered by an Application for Payment, whether incorporated in the Project or not, will pass to the Town upon receipt of such payment by the Construction Manager free and clear of all liens, claims, security interests, or encumbrances. At the Town's request, the Construction Manager shall complete and submit a Lien Release, in a form substantially similar to the form attached hereto as Exhibit L, with each Application for Payment.

D. Non-Conforming Work. The Town's progress payment, occupancy, or use of the Project, whether in whole or in part, shall not be deemed as acceptance of any Work not conforming to the requirements of this Agreement or the Contract Documents.

E. Unfinished Items. Upon Substantial Completion of the Work, the Town shall pay the Construction Manager the unpaid balance of the Cost of the Work, General Conditions Costs, and the Construction Fee, less a sum equal to the Construction Manager's estimated cost of completing any unfinished items as agreed to between the Town and the Construction Manager as to extent and time for completion. The Town thereafter shall pay the Construction Manager monthly the amount retained for unfinished items as each item is completed.

9.2 Retainage.

A. Exceptions to Retainage Requirement. No retainage shall be withheld with respect to gross receipts tax and premiums for bonds and insurance.

B. Amount Retained. With respect to the Work, the Town shall retain 10% of the amount of each estimate until Final Completion and acceptance of all material, equipment, and work covered by the Contract Documents.

1. Any securities submitted by the Construction Manager in lieu of retainage as may be allowed by law, shall be deposited in an escrow account by the Town. The Town shall be listed as payee or multiple payees with the Construction Manager on all such securities.

2. When the Work is 50% completed, one-half of the amount retained, including any securities substituted pursuant to Subsection 9.2(B)(1) above, shall be paid to the Construction Manager upon the Construction Manager's request, provided the Construction Manager is making satisfactory progress on the Work and there is no specific cause or claim requiring a greater amount to be retained. After the construction Work is 50% completed, no more than 5% of the amount of any subsequent progress payments made under the Contract Documents may be retained, provided the Construction Manager is making satisfactory progress on the Project. If, at any time, the Town determines satisfactory progress is not being made, 10% retention shall be reinstated for all progress payments made under the Contract Documents after the determination.

9.3 Payment for On-site and Off-site Stored Materials. Payment shall be made on account of materials and equipment delivered and suitably stored at the Site for subsequent incorporation in the Work. Payment may similarly be made for materials and equipment suitably stored off the Site, conditioned upon the Construction Manager furnishing evidence to the Owner that (A) title to the materials and equipment will pass to the Town upon payment therefor, (B) the materials and equipment are adequately insured, and (C) such other matters as the Town may reasonably request to protect its interests.

9.4 Title to Construction Work. The Construction Manager warrants that title to all Work covered by an Application for Payment shall pass to the Town no later than the time of payment. The Construction Manager further warrants that, upon submittal of an Application for Payment, all Work for which Applications for Payment have been previously issued and payments received from the Town shall be free and clear of liens, claims, security interests, or encumbrances in favor of the Construction Manager, Subcontractors, material suppliers, or other persons or entities making a claim by reason of having provided labor, materials, and equipment relating to the Work.

9.5 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset against any money due to the Construction Manager any amounts the Construction Manager owes to the Town for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset against any money due to the Construction Manager any amounts the Construction Manager owes to the Town for delinquent fees, transaction privilege use taxes, and property taxes, including any interest or penalties.

9.6 Final Payment.

A. Fully Completed Work. Final payment, consisting of the unpaid balance of (1) the Cost of the Work, (2) compensation for Pre-Construction Services, and (3) the Construction Fee, shall be due and payable when the Work is fully completed and accepted by the Town. Before issuance of final payment, the Town may request satisfactory evidence that all payrolls, materials bills, and other indebtedness connected with the Work have been paid or otherwise satisfied.

B. Waiver of Claims. In making final payment, the Town waives all claims against the Construction Manager except for:

1. Outstanding liens.
2. Improper workmanship or defective materials.
3. Work not in conformance with the Contract Documents or work not completed.
4. Terms of any special warranties required by the Contract Documents.
5. Delivery to the Town of all warranties, operation and maintenance manuals, record drawings, and other documents as required by the Contract Documents.
6. Right to audit Construction Manager records for a period of three years.
7. Claims previously made in writing that remain unsettled.

C. Acceptance as Waiver. Acceptance of final payment by the Construction Manager shall constitute a waiver of affirmative claims by the Construction Manager against the Town, its employees, elected officials, and agents, except those previously made in writing and identified as unsettled at the time of final payment.

9.7 Payments to Subcontractors.

A. The Construction Manager shall pay its Subcontractors or suppliers within seven Days of receipt of each progress payment from the Town and as required by Arizona law. The Construction Manager shall pay for the amount of Work performed or materials supplied by each Subcontractor or Supplier as accepted and approved by the Town with each progress payment. In addition, any reduction of retention by the Town to the Construction Manager shall result in a corresponding reduction to Subcontractors or suppliers who have performed satisfactory work. The Construction Manager shall pay Subcontractors or suppliers the reduced retention within 14 Days of the payment of the reduction of the retention to the Construction Manager. No Contract between the Construction Manager 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 or by Arizona law.

B. Failure to Timely Pay. The Construction Manager agrees that if it fails to make payments in accordance with these provisions, the Town may take any one or more of the following actions:

1. Hold the Construction Manager in default under this Agreement.
2. Withhold future payments, including retention, until proper payment has been made to Subcontractors or suppliers in accordance with these provisions.
3. Reject all future offers to perform work for the Town from the Construction Manager for a period not to exceed one year from the date of Substantial Completion of the Project.
4. Terminate this Agreement.
5. Make a claim against the bonds required pursuant to Article 11 below.

C. No Waiver. Should the Town 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.

D. Inclusion in Subcontracts. The Construction Manager shall include these prompt payment provisions in every subcontract, including procurement of materials and leases of equipment for this Agreement.

9.8 Record Keeping and Finance Controls.

A. Retention Requirement. Records of the Construction Manager's direct personnel payroll, reimbursable expenses pertaining to the Project, and records of accounts between the Town and the Construction Manager shall be kept on a generally recognized accounting basis and shall be available for three years after Final Completion of the Project.

B. Audit Rights. The Town, its authorized representative, and/or the appropriate federal agency, reserve the right to audit the Construction Manager's records to verify the accuracy and appropriateness of all pricing data, including data used to negotiate Contract Documents and any Change Orders.

C. Pricing Data Inaccuracies. The Town reserves the right to decrease Contract Price and/or payments made on this Agreement, in an amount determined by the Town in its sole discretion, if, upon audit of the Construction Manager's records, the audit discloses the Construction Manager has provided false, misleading, or inaccurate cost and pricing data.

D. Inclusion in Subcontracts. The Construction Manager shall include a similar provision in all of its agreements with Sub-consultants and Subcontractors providing services under the Contract Documents to ensure the Town, its authorized representative, and/or the appropriate federal agency, has access to the Sub-consultants' and Subcontractors' records to verify the accuracy of cost and pricing data.

E. Town Remedies. The Town reserves the right to decrease Contract Price and/or payments made under this Agreement, in an amount determined by the Town in its sole discretion, if the above provision is not included in Sub-consultants' and Subcontractors' contracts, and one or more Sub-consultants and/or Subcontractors do not allow the Town to audit their records to verify the accuracy and appropriateness of pricing data.

ARTICLE 10
INSURANCE AND INDEMNITY

10.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of Construction Manager, Construction Manager shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Arizona pursuant to ARIZ. REV. STAT. § 20-206, as amended, with an A.M. Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, the Town does not represent that coverage and limits will be adequate to protect Construction Manager. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this

Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Construction Manager from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees as Additional Named Insured as specified under the respective coverage sections of this Agreement. The additional insured endorsement for products/completed operations of General Liability made for the Town shall provide this coverage for at least seven years following Town receipt of product or completion of work by the Construction Manager. The insurance policies for general liability and automobile liability must contain a severability of interest provision. The Town reserves the right to continue payment of premium for which reimbursement will be deducted from amounts due or subsequently due from the Construction Manager.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by the Town, unless specified otherwise in this Agreement.

E. Primary Insurance. Construction Manager's insurance shall be primary and non-contributory insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, Construction Manager agrees that the retroactive date on the insurance policy shall be the same as the effective date of this original contract or earlier and carried forward as that same retroactive date or earlier on any subsequent renewals of this agreement. In the event the policy is canceled, non-renewed, switched to an Occurrence Form, retroactive date advanced, or any other event triggers the right to purchase a Supplemental Extended Reporting Period (SERP) during the life of any resulting contract, Construction Manager agrees to purchase a SERP with a minimum reporting period not less than three (3) years. The requirement to purchase a SERP shall not relieve Construction Manager of the obligation to provide replacement coverage.

G. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers, and employees for any claims arising out of the work or services of Construction Manager. Construction Manager shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

H. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the Town. Construction Manager shall be solely responsible for any such deductible or self-insured retention amount.

I. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, Construction Manager shall execute written agreements with its subcontractors containing the indemnification provisions set forth above and insurance requirements set forth herein protecting the Town and Construction Manager. Construction Manager shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

J. Evidence of Insurance. Prior to commencing any work or services under this Agreement, Construction Manager will provide the Town with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies and all endorsements as required by this Agreement, issued by Construction Manager's insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The Town shall reasonably rely upon the certificates of insurance, copies of endorsements, and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be Construction Manager's responsibility to forward renewal certificates and declaration page(s) to the Town 30 days prior to the expiration date. All certificates of insurance, endorsements, and declarations required by this Agreement shall be identified by referencing this Agreement. A \$25.00 administrative fee shall be assessed for all certificates, endorsements, or declarations received without a reference to this Agreement. Additionally, certificates of insurance, endorsements, and declaration page(s) of the insurance policies submitted without a reference to this Agreement will be subject to rejection and may be returned or discarded. Certificates of insurance, endorsements, and declaration page(s) shall specifically include the following provisions:

1. The Town, its agents, representatives, officers, directors, officials, and employees are Additional Insureds as follows:
 - a. Commercial General Liability – Under Insurance Services Office, Inc., (“ISO”) Form CG 20 10 04 13 or equivalent for additional insured on premises/ongoing operations and Commercial General Liability CG 20 37 for additional insured on products/completed operations.
 - b. Auto Liability – Under ISO Form CA 20 48 or equivalent for additional insured.
 - c. Excess Liability – Follow Form to underlying insurance or, if an umbrella is used, provide endorsement indicating following form basis on underlying policies and their endorsements, or specific endorsements to provide additional insured and waiver of subrogation to the County on the underlying GL, AL, WC coverages. Declarations page or endorsement copy will also be needed to show that excess liability or umbrella covers over underlying policies to include GL, AL, WC, Professional Liability.
2. Construction Manager's insurance shall be primary insurance with respect to performance of this Agreement.
3. All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against Town, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Construction Manager under this Agreement.

ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) is used, the phrases in the cancellation provision “endeavor to” and “but failure to mail such notice shall impose no obligation or liability of any kind upon the company,

its agents or representatives” shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

K. Endorsements. Construction Manager shall provide the Town with the necessary endorsements to ensure Town is provided the insurance coverage set forth in this Section.

10.2 Required Insurance Coverage.

A. Commercial General Liability. Construction Manager shall maintain “occurrence” form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury, and advertising injury. The policy shall include fire legal liability coverage in an amount not less than \$50,000. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured’s clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, officials, and employees shall be cited or endorsed on a primary and non-contributory basis as an Additional Insured for premises/ongoing operations, personal and advertising injury, and for products/completed operations. The additional insured endorsement for products/completed operations of General Liability made for the County shall provide this coverage for at least seven years following County receipt of product or completion of work by the Independent Contractor for the County. The insurance policy for general liability must contain a severability of interest provision. If any Excess or Umbrella insurance is utilized to fulfill the requirements of this Subsection, such Excess or Umbrella insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. Construction Manager shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on Construction Manager’s owned, hired and non-owned vehicles assigned to or used in the performance of the Construction Manager’s work or services under this Agreement. Coverage will be at least as broad as ISO coverage code “1” “any auto” policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials, and employees shall be cited as an Additional Insured on a primary and noncontributory basis under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. The insurance policy for automobile liability must contain a severability of interest provision. If any Excess or umbrella insurance is utilized to fulfill the requirements of this Subsection, such Excess or umbrella insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Construction Manager engages in any professional services or work in any way related to performing the work under this Agreement, the Construction Manager shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Construction Manager, or anyone employed by the Construction Manager, or anyone for whose negligent acts, mistakes, errors and omissions the Construction Manager is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate. Construction Manager to provide a current loss run with in the last 15 days to verify limits are unimpeded prior to execution of this contract. Construction Manager has option to purchase and evidence higher limits if needed to overcome an existing impairment caused by open active claims upon it in this area or other claims against it settled with in the current policy period.

D. Workers' Compensation Insurance. If Construction Manager employs anyone who is required by law to be covered by workers' compensation insurance, Construction Manager shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Construction Manager's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

E. Builder's Risk Insurance. Unless expressly waived by the Town in a written amendment to this Agreement, the Construction Manager shall be responsible for purchasing and maintaining insurance to protect the Project from perils of physical loss. The insurance shall provide for the full cost of replacement for the entire Project at the time of any loss. The insurance shall include as named insureds the Town, the Construction Manager, and the Construction Manager's Subcontractors, and shall insure against loss from the perils of fire and all risk coverage for physical loss or damage due to theft, vandalism, collapse, malicious mischief, transit, flood, earthquake, and testing, and resulting loss arising from defective design, negligent workmanship, or defective material. The Construction Manager shall increase the coverage limits as necessary to reflect changes in the estimated replacement cost.

10.3 Cancellation and Expiration Notice. Construction Manager shall provide at least 30 Days' prior written notice to the Town before insurance required herein expires, is canceled, or is materially changed.

10.4 Indemnity. To the fullest extent permitted by law, the Construction Manager shall indemnify and hold harmless the Town and each council member, officer, employee, or agent thereof (the Town and any such person being herein called an "Indemnified Party"), for, from, and against any and all losses, claims, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys' fees, court costs, and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims") to the extent that such Claims (or actions in respect thereof) are caused by the negligent acts or omissions, recklessness, or intentional misconduct of the Construction Manager, its officers, employees, agents, or any tier of subcontractor in connection with the Construction Manager's work or services in the performance of this Agreement. The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this Section.

ARTICLE 11 BONDS

11.1 Performance Bond. After the Town and the Construction Manager have agreed to a GMP but prior to commencing the Construction Services attributable to such GMP, the Construction Manager shall be required to furnish the Town with an irrevocable security binding the Construction Manager to provide faithful performance of this Agreement in the amount of 100% of the percentage of the GMP attributable to the Construction Services, payable to the Town, and shall not include the cost of any design services, preconstruction services, finance services, maintenance services, operations services, or any other related services. Performance security shall be in the form of a performance bond, certified check, or cashier's check. If the Construction Manager fails to execute the security document as required, the Construction Manager may be found in material default of this Agreement, permitting the Town to terminate this Agreement for cause as set forth in Article 12 below. In case of default the Town reserves all rights. All performance bonds shall be executed on the form attached hereto as Exhibit J and incorporated herein by reference, duly executed by the Construction Manager as Principal and having as Surety thereon a Surety company approved by the Town and holding a Certificate of Authority issued by the Arizona Department of Insurance to transact surety business in the State of Arizona. Individual sureties are unacceptable. All Insurers and Sureties shall have at the time of submission of the proposal an A.M. Best's

Key Rating Guide of “A-” or better as currently listed in the most recent Best Key Guide, published by the A.M. Best Company.

11.2 Payment Bond. After the Town and the Construction Manager have agreed to a GMP but prior to commencing the Construction Services attributable to such GMP, the Construction Manager shall be required to furnish the Town with an irrevocable security for the protection of all claimants supplying labor or materials to the Construction Manager or any Subcontractor in the prosecution of the construction and not for the protection of persons providing any design services, preconstruction services, finance services, maintenance services, operations services, or other services related to the Agreement. Payment security shall be in the amount of 100% of the portion of the GMP attributable to the Construction Services and be payable to the Town. Payment security shall be in the form of a payment bond, certified check, or cashier’s check. If the Construction Manager fails to execute the security document as required, the Construction Manager may be found in material default of this Agreement, permitting the Town to terminate this Agreement for cause as set forth in Article 12 below. All payment bonds shall be executed on the form attached hereto as Exhibit K and incorporated herein by reference, duly executed by the Construction Manager as Principal and having as Surety thereon a Surety company approved by the Town and holding a Certificate of Authority issued by the Arizona Department of Insurance to transact surety business in the State of Arizona. Individual sureties are unacceptable. All Insurers and Sureties shall have at the time of submission of the proposal an A.M. Best’s Key Rating Guide of “A-” or better as currently listed in the most recent Best Key Guide, published by the A.M. Best Company.

ARTICLE 12 TERMINATION AND SUSPENSION

12.1 Termination by the Construction Manager.

A. Procedure. Upon 30 Days’ written notice to the Town of one of the reasons set forth below, and if the Town fails to cure or initiate reasonable action to cure within 30 Days of receipt of said notice, the Construction Manager may terminate this Agreement for any of the following:

1. If the Work has been stopped for a 60-Day period:
 - a. Under court order or order of other governmental authorities having jurisdiction; or
 - b. As a result of the declaration of a national emergency or other governmental act during which, through no act or fault of the Construction Manager, materials are not available.
2. If the Work is suspended by the Town for more than 60 Days.
3. If the Town materially delays the Construction Manager in the performance of the Work.
4. If the Town otherwise materially breaches this Agreement.

B. Payment to Construction Manager. Upon termination by the Construction Manager in accordance with Subsection 12.1(A) above, the Construction Manager shall be entitled to recover from the Town payment for all Work completed to the date of termination plus reasonable demobilization costs, subcontract and purchase order termination costs, reasonable overhead, extended general conditions, and profit on the Work performed. The Town may subtract reasonable estimates of costs for deficient work from the payments noted above. For the purposes of this Subsection, extended General Conditions Costs

SECTION B

shall be calculated at the unit prices set forth in the GMP proposal, provided that the extended cost of a General Condition for which a unit price is not provided shall be calculated by dividing the estimated total cost for that General Condition by the relevant number of Days set forth in the Master Schedule, and multiplying that result by the number of such days that elapsed before termination pursuant to Subsection 12.1(A) above.

12.2 Termination by the Town for Cause.

A. Construction Manager Default. If the Construction Manager refuses or fails, except in cases for which extension of time is provided, to supply sufficient properly skilled staff or proper materials, or disregards laws, ordinances, rules, regulations, or orders of any public authority having jurisdiction, or otherwise substantially violates or materially breaches any term or provision of this Agreement, and such nonperformance or violation continues without cure for 15 Days after the Construction Manager receives written notice of such nonperformance or violation from the Town, then the Town may, without prejudice to any right or remedy otherwise available to the Town, terminate this Agreement.

B. Construction Manager Insolvency. Upon the appointment of a receiver for the Construction Manager, or if the Construction Manager makes a general assignment for the benefit of creditors, the Town may terminate this Agreement, without prejudice to any right or remedy otherwise available to the Town, upon giving three Days' written notice to the Construction Manager. If an order for relief is entered under the bankruptcy code with respect to the Construction Manager, the Town may terminate this Agreement by giving three Days' written notice to the Construction Manager unless the Construction Manager or the trustee does all of the following:

1. Promptly cures all breaches within such three-Day period.
2. Provides adequate assurances of future performance.
3. Compensates the Town for actual pecuniary loss resulting from such breach(es).
4. Assumes the obligations of the Construction Manager within the established time limits.

C. Failure to Agree on a GMP. If the Town and the Construction Manager fail, after good faith efforts, to agree upon a GMP, this Agreement may be terminated upon 15 Days' notice from either Party to the other. In the event of a termination for failure to agree on a GMP, the Construction Manager's sole and exclusive right and remedy shall be to be paid for all Work performed and to receive equitable adjustment for all Work performed through the date of termination plus reasonable demobilization costs, subcontract and purchase order termination costs, reasonable overhead and profit on the Work performed. The Construction Manager shall not be entitled to be paid any amount as profit for unperformed Work or Services or consideration for the termination under this Subsection. If this Agreement is terminated for failure to agree on a second or subsequent GMP, extended General Conditions costs shall be adjusted as set forth in Subsection 12.1(B) above.

12.3 Termination by the Town for Convenience. The Town may, upon 30 Days' written notice to the Construction Manager, terminate this Agreement, in whole or in part, for the convenience of the Town, without prejudice to any right or remedy otherwise available to the Town. Upon receipt of such notice, the Construction Manager shall immediately discontinue all services affected unless such notice directs otherwise. In the event of a termination for convenience of the Town, the Construction Manager's

sole and exclusive right and remedy shall be to be paid for all Work performed and to receive equitable adjustment for all Work performed through the date of termination plus reasonable demobilization costs, subcontract and purchase order termination costs, reasonable overhead and profit on the Work performed. The Construction Manager shall not be entitled to be paid any amount as profit for unperformed Work or Services or consideration for termination by the Town under this Section 12.3.

12.4 Set Off. Upon termination of this Agreement by the Town, the Town shall be entitled to furnish or have furnished the Services to be performed hereunder by the Construction Manager by whatever method the Town may deem expedient. Also, in such case, the Construction Manager shall not be entitled to receive any further payment until completion of the Work and the total compensation to the Construction Manager under this Agreement shall be the amount that is equitable under the circumstances. If the Town and the Construction Manager are unable to agree on the amount to be paid under the foregoing sentence, the Town shall fix an amount, if any, that it deems appropriate in consideration of all of the circumstances surrounding such termination and shall make payment accordingly.

12.5 Suspension by the Town for Convenience.

A. Procedure. The Town may order the Construction Manager in writing to suspend, delay, or interrupt all or any part of the Work without cause for such period of time as the Town may determine to be appropriate for its convenience, but not in abrogation of the rights given the Construction Manager in Section 12.1 above.

B. Adjustments to GMP and Schedule. Adjustments caused by suspension, delay, or interruption shall be made for increases in the applicable GMP and/or the applicable Substantial Completion date. No adjustment shall be made if the Construction Manager is or otherwise would have been responsible for the suspension, delay, or interruption of the Work, or if another provision of this Agreement is applied to render an equitable adjustment.

ARTICLE 13 DISPUTE RESOLUTION

13.1 Scope. Notwithstanding anything to the contrary provided elsewhere in the Contract Documents, except for Subsection 13.4 (G) below, the alternative dispute resolution (“ADR”) process provided for herein shall be the exclusive means for resolution of claims or disputes arising under, relating to, or touching upon the Agreement, the interpretation thereof, or the performance or breach by any party thereto, including but not limited to original claims or disputes asserted as cross claims, counterclaims, third party claims, or claims for indemnity or subrogation, in any threatened or ongoing litigation or arbitration with third parties, if such disputes involve parties to agreements containing this ADR provision.

13.2 Neutral Evaluator, Arbitrators. The Town will select a Neutral Evaluator to serve as set forth in this ADR process. The Town and the Construction Manager shall each select an arbitrator to serve as set forth in this ADR process. Each arbitrator selected shall be a member of the State Bar of the State of Arizona and shall have experience in the field of construction law. None of the arbitrators nor any of the arbitrator’s firms shall have presently, or in the past, represented any party to the arbitration.

13.3 Neutral Evaluation Process. If the Parties have been unable to resolve the disputes after discussions and partnering, the following neutral evaluation process shall be used to resolve any such dispute.

A. Notification of Dispute. The Town shall notify the Neutral Evaluator in writing of the existence of a dispute within 10 Days of the Town or the Construction Manager declaring need to commence the neutral evaluation process.

B. Non-Binding Informal Hearing. The Neutral Evaluator shall schedule a non-binding informal hearing of the matter to be held within seven Days from receipt of notification of the existence of a dispute. The Neutral Evaluator may conduct the hearing in such manner as he deems appropriate and shall notify each party of the hearing and of its opportunity to present evidence it believes will resolve the dispute. Each party to the dispute shall be notified by the Neutral Evaluator that it shall submit a written outline of the issues and evidence intended to be introduced at the hearing and the proposed resolution of the dispute to the Neutral Evaluator before the hearing commences. Arbitrators shall not participate in such informal hearing or proceedings process. The Neutral Evaluator is not bound by the rules of evidence when admitting evidence in the hearing and may limit the length of the hearing, the number of witnesses, or any evidence introduced to the extent deemed relevant and efficient.

C. Non-Binding Decision. The Neutral Evaluator shall render a non-binding written decision as soon as possible, but not later than five Days after the hearing.

13.4 Binding Arbitration Procedure. The following binding arbitration procedure, except as provided in Subsection 13.4(G) below, shall serve as the exclusive method to resolve a dispute if any party chooses not to accept the decision of the Neutral Evaluator. The party requesting binding arbitration shall notify the Neutral Evaluator in writing within three Days of receipt of the Neutral Evaluator's decision of a request for arbitration. If the Construction Manager requests arbitration it shall post a cash bond with the Neutral Evaluator in an amount agreed upon by the Parties or, in the event of no agreement, the Neutral Evaluator shall establish the amount of the cash bond to defray the cost of the arbitration as set forth in Subsection 13.4(M) below and the proceeds from the bond shall be allocated in accordance with Subsection 13.4(M) by the Arbitration Panel.

A. Arbitration Panel. The Arbitration Panel shall consist of three arbitrators: the Town's appointed arbitrator, the Construction Manager's appointed arbitrator, and a third arbitrator (or "Neutral Arbitrator") who shall be selected by the Parties' arbitrators as set forth in Subsection 13.4(B) below. If one or more Subcontractor(s) is (are) involved in a dispute, the Subcontractors shall agree on an appointee to serve as arbitrator on behalf of all such Subcontractors. The Neutral Evaluator shall not participate in the proceedings.

B. Selection of Neutral Arbitrator. The Parties' arbitrators shall choose the Neutral Arbitrator within five Days of receipt of notification of a dispute from the Neutral Evaluator. The Neutral Arbitrator shall have the same qualifications as those of the arbitrators set forth in Section 13.2 above. In the event that the selected arbitrators cannot agree on the Neutral Arbitrator as set forth above, the Neutral Arbitrator shall be the "Default Neutral Arbitrator." The Default Neutral Arbitrator shall be selected as follows: the Town and the Construction Manager shall each submit two names to the presiding judge of the Yavapai County Superior Court, who shall select one person to serve as the Default Neutral Arbitrator.

C. Expedited Hearing. The Parties have structured this procedure with the goal of providing for the prompt, efficient, and final resolution of all disputes falling within the purview of this ADR process. To that end, any Party can petition the Neutral Evaluator to set an expedited hearing. If the Neutral Evaluator determines that the circumstances justify it, the Neutral Evaluator shall contact the selected Arbitration Panel and arrange for scheduling of the arbitration at the earliest possible date. In any event, the hearing of any dispute not expedited will commence as soon as practical but in no event later than 20 Days after notification of request for arbitration having been submitted. This deadline can be

extended only with the consent of all the Parties to the dispute, or by decision of the Arbitration Panel upon a showing of emergency circumstances.

D. Procedure. The Arbitration Panel will select a chairman and will conduct the hearing in such a manner that will resolve disputes in a prompt, cost-effective manner giving regard to the rights of all parties. Each Party shall supply to the Arbitration Panel a written pre-hearing statement which shall contain a brief statement of the nature of the claim or defense, a list of witnesses and exhibits, a brief description of the subject matter of the testimony of each witness who will be called to testify, and an estimate as to the length of time that will be required for the arbitration hearing. The Arbitration Panel shall review and consider the Neutral Evaluator decision. The chairman shall determine the nature and scope of discovery, if any, and the manner of presentation of relevant evidence consistent with deadlines provided herein, and the Parties' objective that disputes be resolved in a prompt and efficient manner. No discovery may be had of any materials or information for which a privilege is recognized by Arizona law. The chairman, upon proper application, shall issue such orders as may be necessary and permissible under law to protect confidential, proprietary, or sensitive materials or information from public disclosure or other misuse. Any Party may make application to the Yavapai County Superior Court to have a protective order entered as may be appropriate to confirm such orders of the chairman.

E. Hearing Days. To effectuate Parties' goals, the hearing once commenced, will proceed from Day to Day until concluded, absent a showing of emergency circumstances.

F. Award. The Arbitration Panel shall, within 10 Days from the conclusion of any hearing, by majority vote issue its award. The award shall include an allocation of fees and costs pursuant to Subsection 13.4(M) below. The award is to be rendered in accordance with this Agreement and the laws of the State of Arizona.

G. Scope of Award. The Arbitration Panel shall be without authority to award punitive damages, and any such punitive damage award shall be void. The Arbitration Panel shall be without any authority to issue an award against any individual Party in excess of 20% of the original Agreement amount, but in no event shall any award exceed \$2,000,000, exclusive of interest, arbitration fees, costs, and attorneys' fees. If an award is made against any individual Party in excess of \$100,000, exclusive of interest, arbitration fees, costs, and attorneys' fees, it must be supported by written findings of fact, conclusions of law, and a statement as to how damages were calculated. Any claim in excess of 20% of the original Agreement amount or in excess of \$2,000,000 shall be subject to the jurisdiction of the Superior Court of Arizona, Yavapai County. Any Party may contest the validity of the amount claimed if an action is filed in the Superior Court.

H. Jurisdiction. The Arbitration Panel shall not be bound for jurisdictional purposes by the amount asserted in any Party's claim, but shall conduct a preliminary hearing into the question of jurisdiction upon application of any Party at the earliest convenient time, but not later than the commencement of the arbitration hearing.

I. Entry of Judgment. Any Party can make application to the Yavapai County Superior Court for confirmation of an award, and for entry of judgment on it.

J. Severance and Joinder. To reduce the possibility of inconsistent adjudications, the Neutral Evaluator or the Arbitration Panel, may (1) at the request of any Party, join and/or sever Parties, and/or claims arising under other contracts containing this ADR provision, and (2) the Neutral Evaluator, on his own authority, or the Arbitration Panel may, on its own authority, join or sever Parties and/or claims subject to this ADR process as they deem necessary for a just resolution of the dispute, consistent with the Parties' goal of the prompt and efficient resolution of disputes; provided, however, that the Construction

Manager, the Project Designers, and other Project professionals shall not be joined as a Party to any claim made by a Subcontractor. Nothing herein shall create the right by any Party to assert claims against another Party not germane to the Agreement or not recognized under the substantive law applicable to the dispute. Neither the Neutral Evaluator nor the Arbitration Panel is authorized to join to the proceeding Parties not in privity with the Town. The Construction Manager cannot be joined to any pending arbitration proceeding, without the Construction Manager's express written consent, unless the Construction Manager is given the opportunity to participate in the selection of the non-Town appointed arbitrator.

K. Appeal. Any party may appeal (1) errors of law by the Arbitration Panel if, but only if, the errors arise in an award in excess of \$100,000, (2) the exercise by the chairman or Arbitration Panel of any powers contrary to or inconsistent with this Agreement, or (3) on the basis of any of the grounds provided in ARIZ. REV. STAT. § 12-1512. Appeals shall be to the Yavapai County Superior Court within 15 Days of entry of the award. The standard of review in such cases shall be that applicable to the consideration of a motion for judgment notwithstanding the verdict, and the Yavapai County Superior Court shall have the authority to confirm, vacate, modify or remand an award appealed under this Section, but not to conduct a trial, entertain the introduction of new evidence or conduct a hearing *de novo*.

L. Uniform Arbitration Act. Except as otherwise provided herein, binding arbitration pursued under this provision shall be governed by the Uniform Arbitration Act as codified in Arizona in ARIZ. REV. STAT. §§ 12-1501, *et seq.*

M. Fees and Costs. Each Party shall bear its own fees and costs in connection with any informal hearing before the Neutral Evaluator. All fees and costs associated with any arbitration before the Arbitration Panel, including without limitation the Arbitration Panelists' fees, and the prevailing Party's reasonable attorneys' fees, expert witness fees, and costs, will be paid by the non-prevailing Party, except as provided for herein. In no event shall any Arbitrator's hourly fees be awarded in an amount in excess of \$200 per hour and (1) costs shall not include any travel expenses in excess of mileage at the rate paid by the Town, not to exceed a one-way trip of 150 miles, and (2) all travel expenses, including meals, shall be reimbursed pursuant to the travel policy of the Town in effect at the time of the hearing. The determination of prevailing and non-prevailing Parties, and the appropriate allocation of fees and costs, will be included in the award by the Arbitration Panel. Fees for the Neutral Evaluator shall be paid by the Town.

N. Confidentiality. Any proceeding initiated under ADR shall be deemed confidential to the maximum extent allowed by Arizona law and no Party shall, except for disclosures to a Party's attorneys or accountants, make any disclosure related to the disputed matter or to the outcome of any proceeding except to the extent required by law, or to seek interim equitable relief, or to enforce an agreement reached by the Parties or an award made hereunder.

O. Equitable Litigation. Notwithstanding any other provision of ADR to the contrary, any Party can petition the Yavapai County Superior Court for interim equitable relief as necessary to preserve the status quo and prevent immediate and irreparable harm to a Party or to the Project pending resolution of a dispute pursuant to ADR provided herein. No court may order any permanent injunctive relief except as may be necessary to enforce an order entered by the Arbitration Panel. The fees and costs incurred in connection with any such equitable proceeding shall be determined and assessed in ADR.

P. Change Order. Any award in favor of the Construction Manager against the Town or in favor of the Town against the Construction Manager shall be reduced to a Change Order amendment to this Agreement and executed by the Parties in accordance with the award and the provisions of this Agreement.

Q. Merger and Bar. Any claim asserted pursuant to this ADR process shall be deemed to include all claims, demands, and requests for compensation for costs and losses or other relief, including the extension of the Agreement performance period which reasonably should have or could have been brought against any Party that was or could have been brought into this ADR process, with respect to the subject claim. The Arbitration Panel shall apply legal principles commonly known as merger and bar to deny any claim or claims against any Party regarding which claim or claims recovery has been sought or should have been sought in a previously adjudicated claim for an alleged cost, loss, breach, error, or omission.

R. Inclusion in Other Contracts. The Construction Manager shall cooperate with the Town in efforts to include this ADR provision in all other Project subcontracts. The Construction Manager agrees that any modification to this ADR provision that is included in the construction or other subcontracts shall also apply to the Construction Manager. It is the intent of the Parties that any changes to this ADR provision in later contracts will be evolutionary and designed to incorporate the terms of this ADR provision without material changes to the substance or procedure of this ADR provision.

ARTICLE 14 ADDITIONAL PROVISIONS

14.1 Confidentiality. The Construction Manager shall not disclose or permit the disclosure of any confidential information except to its agents, employees, and Subcontractors who need such confidential information to properly perform their duties relative to this Agreement.

14.2 Limitation and Assignment. The Town and the Construction Manager each bind themselves, their successors, assigns, and legal representatives to the terms of this Agreement. Neither the Town nor the Construction Manager shall assign or transfer its interest in this Agreement without the written consent of the other, except that the Construction Manager may assign accounts receivable to a commercial bank for securing loans without approval of the Town. Nothing contained in this Section shall prevent the Construction Manager from employing such consultants, associates, or Subcontractors as the Construction Manager may deem appropriate to assist in performance of the Services hereunder.

14.3 Entire Agreement. This Agreement represents the entire and integrated agreement between the Town and the Construction Manager and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Town and the Construction Manager. Nothing contained in this Agreement is intended to benefit any third party. Subcontractors, if any, and the Project Designers are not intended third-party beneficiaries of this Agreement.

14.4 Severability. If any provision of this Agreement or the application of the same is, to any extent, held as a matter of law to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement, or the application of that provision to circumstances other than those under which it has been held invalid or unenforceable, shall not be affected, and each remaining provision of this Agreement shall be interpreted as if it had been executed by both Parties subsequent to the expungement or judicial modification of the invalid or unenforceable provision.

14.5 Meaning of Terms. References made in the singular shall include the plural and the masculine shall include the feminine or neuter.

14.6 Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the Party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return

receipt requested, to the address set forth below, or (C) given to a recognized and reputable overnight delivery service, to the address set forth below, or at such other address, and to the attention of such other person or officer, as any Party may designate in writing by notice duly given pursuant to this Section:

If to the Town:	Town of Chino Valley 202 North State Route 89 Chino Valley, Arizona 86323 Attn: Terri Denemy, Town Manager
With copy to:	Gust Rosenfeld, P.L.C. One East Washington Street, Suite 1600 Phoenix, Arizona 85004-2553 Attn: Andrew McGuire
If to Project Designers:	_____ _____ _____ _____
If to Construction Manager:	_____ _____ _____ _____

Notices shall be deemed received (A) when delivered to the Party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage, or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a Party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a Party shall mean and refer to the date on which the Party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

14.7 Governing Law. This Agreement shall be governed by the laws of the State of Arizona and venue shall be in Yavapai County.

14.8 No Waiver of Performance. The failure of either Party to insist, in any one or more instances, on the performance of any of the terms, covenants, or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, condition, or right with respect to further performance.

14.9 Headings. The headings given to any of the provisions of this Agreement are for ease of reference only and shall not be relied upon or cited for any other purpose.

14.10 Asbestos Free Materials. The Project is to be constructed by the Construction Manager with asbestos-free materials. A written, notarized statement on company letterhead shall be submitted to the Town by the Construction Manager with the final payment request certifying that the Construction Manager has incorporated no asbestos material into the Project. Final payment shall be withheld until such statement is submitted. The Construction Manager shall agree that if materials containing asbestos are subsequently discovered at any future time to have been included in the construction done by the Construction Manager or any of its Subcontractors or agents and were not specified in the design or required

by the Contract Documents, the Construction Manager shall be liable for all costs related to the abatement of such asbestos and damages or claims against the Town notwithstanding any statute of limitations or other legal bar to any claim by the Town.

14.11 Cancellation. This Agreement may be canceled by the Town pursuant to ARIZ. REV. STAT. § 38-511.

14.12 Survival of Representations and Warranties. Notwithstanding any other provision of this Agreement, the representations, warranties, and covenants herein shall survive termination of this Agreement.

14.13 Endangered Hardwoods Prohibited. The Construction Manager shall ensure that products containing endangered wood species shall not be utilized in the construction of the Project unless exempted pursuant to ARIZ. REV. STAT. § 34-201(J), as amended.

14.14 Records and Audit Rights. The Construction Manager's and its Subcontractors' books, records, correspondence, accounting procedures, and practices, and any other supporting evidence relating to this Agreement, including the papers of any of the Construction Manager's and its Subcontractors' employees who perform any work or Services pursuant to this Agreement to ensure that the Construction Manager and its Subcontractors are complying with the warranty under Section 14.15 below (all the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on Construction Manager's and its Subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement, and (B) evaluation of the Construction Manager's and its Subcontractors' compliance with the Arizona employer sanctions laws referenced in Section 14.15 below. To the extent necessary for the Town to audit Records as set forth in this Section, the Construction Manager and its Subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its Subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to the Construction Manager pursuant to this Agreement. The Construction Manager and its Subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this Section. The Town shall give the Construction Manager or its Subcontractors reasonable advance notice of intended audits. The Construction Manager shall require its Subcontractors to comply with the provisions of this Section by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

14.15 E-Verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Construction Manager and its Subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and compliance with the E-Verify requirements under ARIZ. REV. STAT. § 23-214(A). The Construction Manager's or its Subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

14.16 Israel. The Construction Manager certifies that it is not currently engaged in, and agrees for the duration of this Agreement that it will not engage in, a "boycott" of Israel, as that term is defined in ARIZ. REV. STAT. § 35-393.

14.17 Independent Contractor. The Construction Manager is and will be an independent contractor and whatever measure of control the Town exercises over the work or deliverable pursuant to

the Agreement will be as to the results of the work only. No provision in this Agreement will give or be construed to give the Town the right to direct the Construction Manager as to the details of accomplishing the work or deliverable. These results will comply with all Applicable Laws and ordinances.

14.18 Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town's then-current fiscal year. The Town's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Board elect not to appropriate and budget funds to pay the Town's obligations under this Agreement, this Agreement shall be deemed terminated at the end of the then-current fiscal year for which such funds were appropriated and budgeted for such purpose and the Town shall be relieved of any subsequent obligation under this Agreement. The Parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Board shall be the sole judge and authority in determining the availability of funds for the Town's obligations under this Agreement. The Town shall keep the Construction Manager informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. The Construction Manager hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town's termination of this Agreement pursuant to this Section.

14.19 Forced Labor of Ethnic Uyghurs. To the extent applicable under ARIZ. REV. STAT. § 35-394, the Construction Manager certifies that it does not, and will not for the duration of this Agreement, use the forced labor, any goods or services produced by the forced labor, or 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.

14.20 Provisions Required by Law. Each and every provision of law and any clause required by law to be in this Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, this Agreement will promptly be physically amended to make such insertion or correction.

[IF APPLICABLE] 14.21 Federally Funded Project Requirements. The terms, provisions, and requirements contained in Exhibit M are incorporated as though fully set forth herein. By executing this Agreement, the Construction Manager accepts and assumes the responsibility to comply with all federal funding requirements applicable to the Project, including any applicable requirement of the **[INSERT FEDERAL ENTITY OR ENTITIES, AWARD NUMBER OR OTHER APPLICABLE REFERENCE, AND LINK TO OTHER PROGRAM TERMS AND CONDITIONS (if applicable)]**.

SECTION B

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first set forth above.

“Town”

Town of Chino Valley, an Arizona
municipal corporation

Tom Armstrong, Mayor

ATTEST:

Erin Deskins, Town Clerk

APPROVED AS TO FORM:

Gust Rosenfeld, PLC, Town Attorney
By: Andrew McGuire

“Construction Manager”

a(n) _____

By: _____

Name: _____

Title: _____

EXHIBIT A
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND

[Construction Documents]

See following page[s].

SAMPLE

EXHIBIT B
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND

[Amendments]

See following page[s].

SAMPLE

EXHIBIT C
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND

[GMP Proposals]

See following page[s].

SAMPLE

EXHIBIT D
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND

[Master Schedule]

See following page[s].

SAMPLE

EXHIBIT E
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND

[Town's RFQ]

See following page[s].

SAMPLE

EXHIBIT F
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND

[Construction Manager's Response to the RFQ]

See following page[s].

SAMPLE

EXHIBIT G
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND

[Traffic Control/Construction Sequencing]

See following page[s].

SAMPLE

EXHIBIT H
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND

[Allowable General Conditions Cost Line Items]

See following page.

SAMPLE

ALLOWABLE GENERAL CONDITIONS COST LINE ITEMS**On-Site Project Management Staff**

Safety Coordinator/Assistant(s)
Project Executive
Office Engineer(s)
Project Expeditor(s)
Assistant Superintendent(s)

CPM Scheduler
Superintendent(s)
Project Manager(s)
Project Support Staff
Out-of-State Project Specific Travel*

Bonds and Insurance

Builder's Risk Insurance
General Liability Insurance

Payment and Performance Bonds
Other Project Insurance as Required by Contract

Temporary Project Utilities

Non-LEED Recycling Dumpsters
Project Electricity
Monthly Telephone / Internet Service
Street Rental and Barricades
Fencing and Covered Walkways
Site Erosion Control (BMP) and Project Entrance(s)

Temporary Toilets
Temporary Fire Protection
Telephone / Internet System Installation
Temporary Water Distribution and Meters
Temporary Electrical Distribution and Meters
Project Water, Ice, and Supplements to Prevent Dehydration

Field Offices & Office Supplies

Partnering Costs
Job Photos/Videos
Project Specific Signage
Postage/Special Shipping
Project/As-Built (Record) Drawings
Project Milestone Event(s)*
Move-In/Out and Office Setup
Employee Identification System
Small Tools and Storage Trailers
Monthly Office Trailer Rental Costs
Mobilization and Demobilization

(Equipment Only)
First Aid Supplies
Reproduction Services
Monthly Office Supplies
Remote Parking Expenses
Project Reference Manuals
Security System/Watchman
Safety Material and Equipment
Drinking Water and Accessories (Including Ice)
Office Clean-Up/Janitorial Services
Field Engineering

* Specific justification and all estimated costs shall be submitted and approved by the Town prior to any travel or event.

EXHIBIT I
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND

[Pre-Construction Cost Summary]

See following page[s].

SAMPLE

EXHIBIT J
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND

[Performance Bond]

See following page.

SAMPLE

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT, _____ (hereinafter called Principal), as Principal, and _____, a corporation organized and existing under the laws of the State of _____, with its principal office at _____ (hereinafter called the Surety), as Surety, are held and firmly bound unto the Town of Chino Valley (hereinafter called the Obligee) in the amount of _____ (Dollars) (\$ _____), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written Contract with the Obligee, dated the _____ day of _____ 20____, for the material, service or construction described as _____ is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal faithfully performs and fulfills all of the undertakings, covenants, terms, conditions and agreements of the Contract during the original term of the Contract and any extension of the Contract, with or without notice to the Surety, and during the life of any guaranty required under the Contract, and also performs and fulfills all of the undertakings, covenants, terms, conditions and agreements of all duly authorized modifications of the Contract that may hereafter be made, notice of which modifications to the surety being hereby waived, the above obligation is void. Otherwise it remains in full force and effect.

PROVIDED, however, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, to the extent as if it were copied at length in this agreement.

The prevailing party in a suit on this bond shall recover as part of the judgment reasonable attorney fees that may be fixed by a judge of the Court.

Witness our hands this _____ day of _____ 20____.

Principal: _____ Seal: _____

By: _____

Surety: _____ Seal: _____

By: _____

Agency of Record: _____

EXHIBIT K
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND

[Payment Bond]

See following page.

SAMPLE

PAYMENT BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT, _____ (hereinafter called Principal), as Principal, and _____, a corporation organized and existing under the laws of the State of _____, with its principal office at _____ (hereinafter called the Surety), as Surety, are held and firmly bound unto the Town of Chino Valley (hereinafter called the Obligee) in the amount of _____ (Dollars) (\$ _____), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written Contract with the Obligee, dated the _____ day of _____ 20____, for the material, service or construction described as _____ which Contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal promptly pays all monies due to all persons supplying labor or materials to the Principal or the Principal's Subcontractors in the prosecution of the Work provided for in the Contract, this obligation is void. Otherwise it remains in full force and effect.

PROVIDED, however, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions, conditions and limitations of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, to the same extent as if they were copied at length in this agreement.

The prevailing party in a suit on this bond shall recover as a part of the judgment reasonable attorney fees that may be fixed by a judge of the Court.

Witness our hands this _____ day of _____, 20____.

Principal:_____ Seal:_____

By:_____

Surety:_____ Seal:_____

By:_____

Agency of Record:_____

EXHIBIT L
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND

[Lien Release]

See following page[s].

SAMPLE

EXHIBIT M
TO
CONSTRUCTION MANAGER
AT RISK AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND

[Federally Funded Project Requirements]

See following page[s].

[INCLUDE IF APPLICABLE]

SAMPLE

FEDERALLY FUNDED PROJECT REQUIREMENTS

Cancellation or Termination for Breach

A contractor who violates or breaches a contract may have the contract terminated for cause. The Contractor will be paid for services provided but may be ineligible for future contracts. Contracts may also be terminated by the Town of Chino Valley for convenience.

Equal Employment Opportunity

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. 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. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

SECTION B

(7) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part, and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work, provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality, or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

Subcontracts. Each nonexempt prime contractor or subcontractor shall include the above equal opportunity clause in each of its nonexempt subcontracts.

Davis Bacon Act

Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts

SECTION B

Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

If applicable pursuant to the conditions of a federal funding award:

- (1) All transactions regarding this contract shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29 C.F.R. pt. 5 as may be applicable. The contractor shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. pt. 5 as applicable.
- (2) Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.
- (3) Additionally, contractors are required to pay wages not less than once a week.

Compliance with the Copeland Anti-Kickback Act

- (1) Contractor. The contractor shall comply with 18 U.S.C. §874, 40 U.S.C. §3145, and the requirements of 29 C.F.R. pt.3 as may be applicable, which are incorporated by reference into this contract.
- (2) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as FEMA may by appropriate instructions require, and also a clause requiring the subcontractor 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 all of these contract clauses.
- (3) Breach. A breach of the contract clauses above may be grounds for termination of the contract and for debarment as a contractor and subcontractor as provided in 29 C.F.R §5.12.

Compliance with the Contract Work Hours and Safety Standards Act

- (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 (b)(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

SECTION B

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 (b)(1) of this section, in the sum of \$27 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 (b)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The (write in the name of the Federal agency or the loan or grant recipient) 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 (b)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(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 (b)(1) through (4) of this section.

Rights to Inventions

Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

Clean Air Act

(1) The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.

(2) The contractor agrees to report each violation to the Town of Chino Valley and understands and agrees that the Town of Chino Valley will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

(3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

Federal Water Pollution Control Act

(1) The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

(2) The contractor agrees to report each violation to the Town of Chino Valley and understands and agrees that the Town of Chino Valley will, in turn, report each violation as required to assure notification to the

Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

(3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

Suspension and Debarment

(1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the contractor is required to verify that none of the contractor's principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

(2) The contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower-tier covered transaction it enters into.

(3) This certification is a material representation of fact relied upon by the Town of Chino Valley. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Town of Chino Valley, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

(4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, 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.

Procurement of Recovered Materials

(1) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired:

- a. Competitively within a timeframe providing for compliance with the contract performance schedule;
- b. Meeting contract performance requirements; or
- c. At a reasonable price.

(2) Information about this requirement, along with the list of EPA designated items, is available at EPA's Comprehensive Procurement Guidelines website, epa.gov/smm/comprehensive-procurement-guideline-cpg-program.

(3) The contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

Access to Records

- (1) The contractor agrees to provide the Town of Chino Valley, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.

- (2) The contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- (3) The contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.
- (4) In compliance with the Disaster Recovery Act of 2018, the Town of Chino Valley and the contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

DHS Seal, Logo and Flags

The contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

Compliance with Federal Law, Regulations, and Executive Orders

This is an acknowledgment that FEMA financial assistance will be used to fund all or a portion of the contract. The contractor will comply with all applicable Federal laws, regulations, executive orders, FEMA policies, procedures, and directives.

SAM.gov

Contractor will comply with the regulations relating to Universal Identifier and System for Award Management according to 2 CFR Part 25 and Appendix A thereto. Contractor must:

- (1) Be registered in the SAM prior to submission of an application or plan;
- (2) Maintain an active SAM registration with current information, including information on a recipient's immediate and highest-level owner and subsidiaries, as well as on all predecessors that have been awarded a Federal contract or grant within the last three years, if applicable, at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency;
- (3) Provide its unique entity identifier in each application or plan it submits to the Federal awarding agency.
- (4) Review and update its information in the SAM database on an annual basis from the date of initial registration or subsequent updates to ensure it is current, accurate and complete.

No Obligation by Federal Government

The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.

Program Fraud and False or Fraudulent Statements or Related Acts

The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this contract.

Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)

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 non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

If applicable, contractors must sign and submit the certification that begins on the following page:

SAMPLE

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The contractor, _____, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Signature of Contractor's Authorized Official

Name and Title of Contractor's Authorized Official

Date

30% CONCEPTUAL DESIGN PLANS

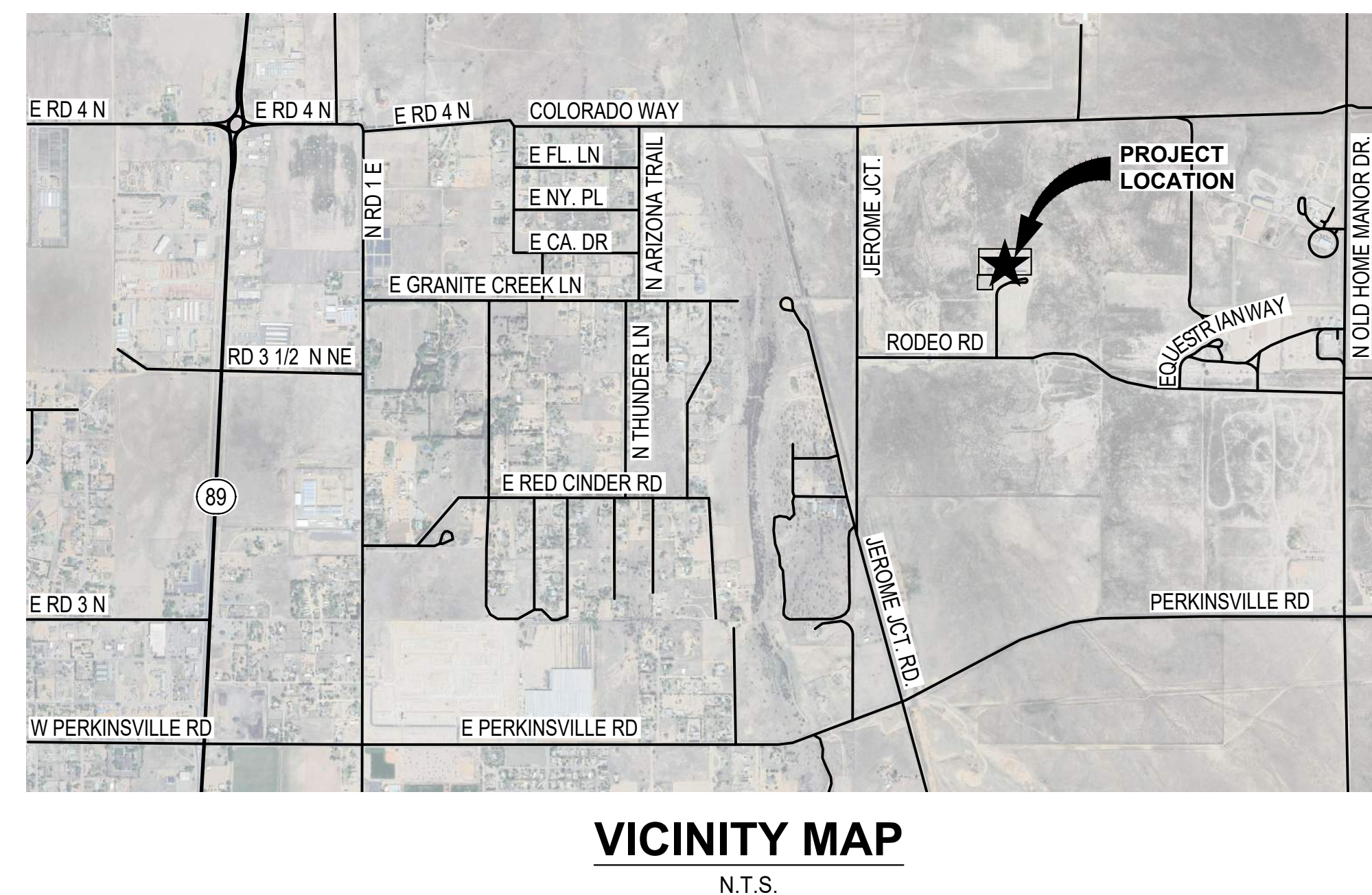
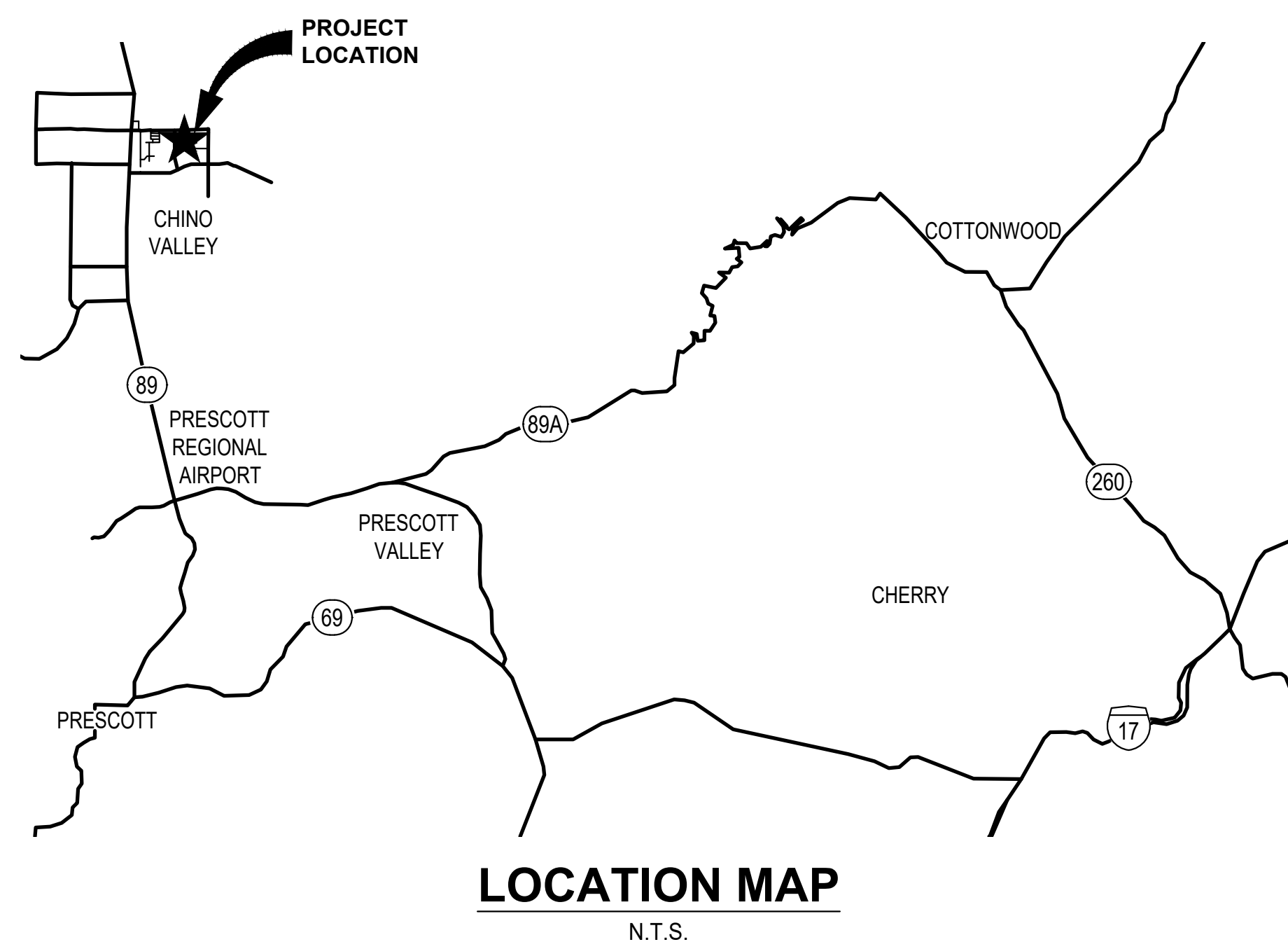
See following pages.

TOWN OF CHINO VALLEY

30% CONCEPTUAL DESIGN PLANS

YAVAPAI COUNTY, ARIZONA

WATER RECLAMATION FACILITY IMPROVEMENTS



PROJECT ADDRESS:

TOWN OF CHINO VALLEY BETWEEN SR
89 AND OLD HOME MANOR AREA,
YAVAPAI COUNTY, AZ

PRINCIPAL OWNER:

TOWN OF CHINO VALLEY
202 NORTH STATE ROUTE 89
CHINO VALLEY, ARIZONA 86323
(928) 636-2646

CONSULTANTS:

ENGINEER OF RECORD

PACIFIC ADVANCED CIVIL ENGINEERING (PACE)
8723 E. VIA de COMMERCIO, #A204
SCOTTSDALE, AZ 85258
BUSINESS LICENSE NO. 1006013
(480) 991-3595
CONTACT: TAYLOR PIERCE, P.E.

SHT No.		TITLE
GENERAL		
G1.0	TITLE SHEET	
CIVIL		
C1.0	EXISTING SITE PLAN	
C2.0	PROPOSED SITE PLAN	
C3.0	YARD PIPING	
C4.0	GRADING AND DRAINAGE	
MECHANICAL		
M0.0	HYDRAULIC PROFILE AND EQUIPMENT LIST	
M1.0	LIFT STATION	
M2.0	EQ BASINS & PUMP STATION IMPROVEMENT	
M2.1	IMPROVEMENT BED IMPROVEMENTS	
M3.0	HEADWORKS MECHANICAL PLAN	
M4.0	MBR TRAINS & SLUDGE STORAGE IMPROVEMENTS	
M6.0	DEWATERING ROOM MECHANICAL PLAN	
M7.0	DISINFECTION ROOM MECH PLAN	

ELECTRICAL	
E0.0	GENERAL ELECTRICAL NOTES
E0.1	ELECTRICAL LEGEND & ABBREVIATIONS
E1.0	MCC-1 SINGLE LINE DIAGRAM DEMO
E1.1	MCC-1 SINGLE LINE DIAGRAM I
E1.2	MCC-1 SINGLE LINE DIAGRAM II
E1.3	MCC-1 ELEVATION I
E1.4	MCC-1 ELEVATION II
E1.5	LOAD SUMMARY
E1.6	PANEL SCHEDULES
E2.0	ELECTRICAL SITE PLAN
E2.1	HAZARDOUS PLAN
E2.2	ODOR CONTROL UNIT HAZARDOUS DETAIL I
E3.0	ELECTRICAL ROOM LAYOUT
E4.0	LIGHTING PLAN
E6.0	CABLE & CONDUIT SCHEDULE
E7.0	COMMUNICATION CONTROL DIAGRAM
E7.1	LIGHTING CONTROL DIAGRAM
E8.0	ELECTRICAL DETAILS I
E8.1	ELECTRICAL DETAILS II
E8.2	ELECTRICAL DETAILS III
E8.3	ELECTRICAL DETAILS IV
P&ID	
I0.0	P&ID LEGEND
I1.0	P&ID - EQUALIZATION BASINS
I2.0	P&ID - HEADWORKS
I3.0	P&ID - SLUDGE STORAGE
I4.0	P&ID - DEWATERING
I5.0	P&ID - UV DISINFECTION

30% CONCEPTUAL DESIGN PLANS



PACE
Advanced Water Engineering

TOWN OF CHINO VALLEY
WRF IMPROVEMENTS

CHINO VALLEY

7

TITLE

TITLE SHEET

PREPARED BY TAYLOR B. PIERCE		
PROJECT ENGINEER 70097		
R.C.E. NO.		
EXP	12/31/2025	
DRAWN NT, JT, DS	SCALE AS SHOWN	
DESIGNED TP		
CHECKED JM	DATE	SEP 2024

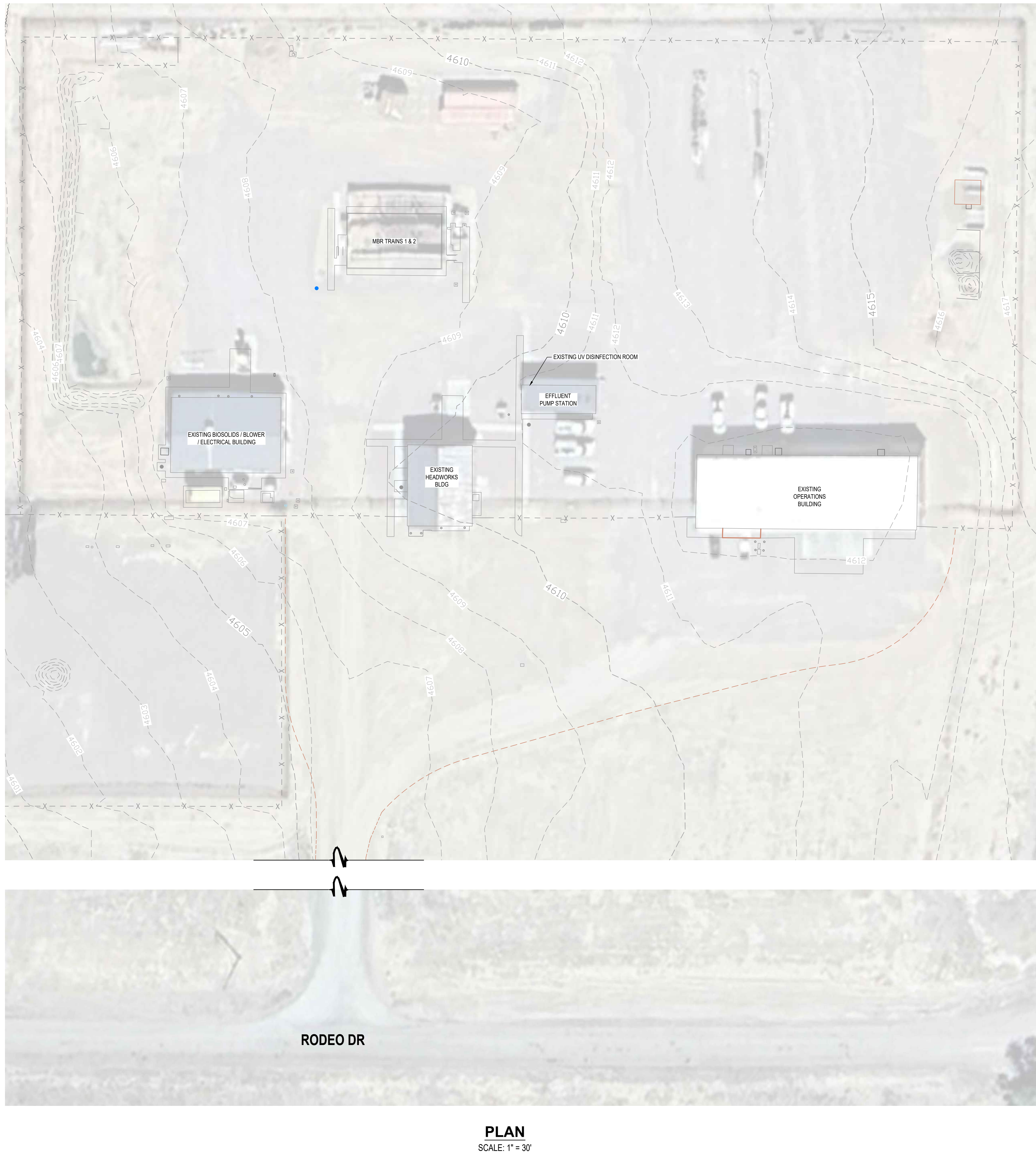
NO	BY	DATE	REVISIONS	DATE	APP.
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SHEET

G1.0

JOB NO. C104



PLAN
SCALE: 1" = 3'

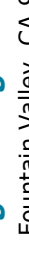
SCALE: 1" = 30'

30% CONCEPTUAL DESIGN PLANS

SHEET

C1.0

JOB NO. C104



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WU/C-104/EconInnovat/C-104-30/WBE/Elshouts/C-104-30/C-104 dwg - Tab: C1 0 - by wawright on 09/10/24 at 1:28:28 PM

TITLE

TOWN OF CHINO VALLEY

WRF IMPROVEMENTS

CHINO VALLEY
AZ

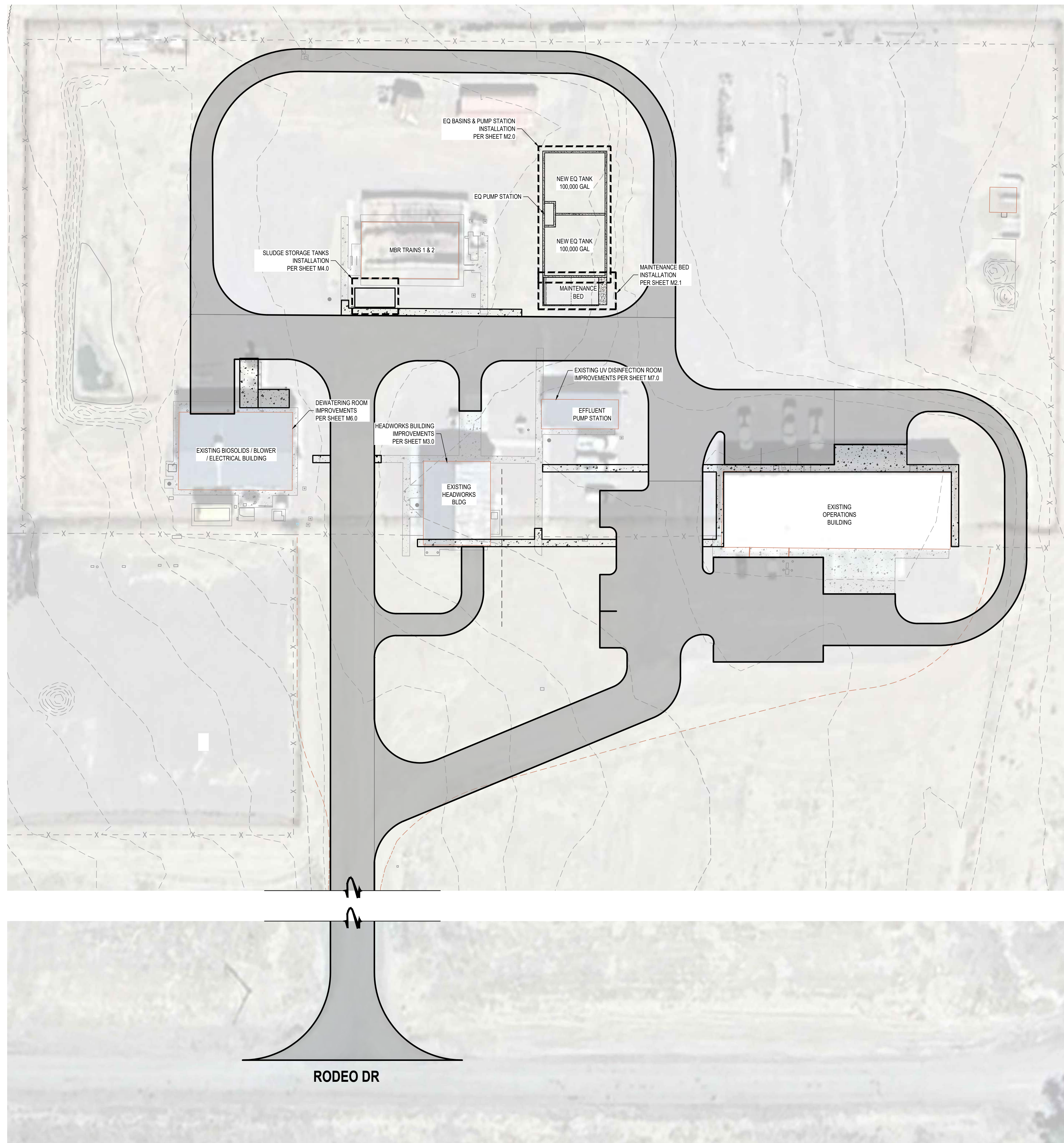
EXISTING SITE PLAN

PREPARED BY TAYLOR B. PIERCE		
PROJECT ENGINEER 70097		
R.C.E. NO.		
EXP.	12/31/2025	
DRAWN	SCALE	
NT, JT, DS	AS SHOWN	
DESIGNED		
TP		
CHECKED	DATE	
JM	SEP 2024	

DATE	NO	BY	DATE	REVISIONS	DATE	BY
SEP 2024						

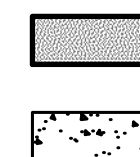
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Xrefs: C104-36x24v.dwg; C104 Site.dwg; C104-XTopo.dwg; C104-Aerial full.dwg; C104-2D Sludge Storage Tanks Plan.dwg
Dimscale = 40; Tscale = 1; PSLscale = 1; ACAD Ver = 24.2s (IMS Tech); Visretain = 1



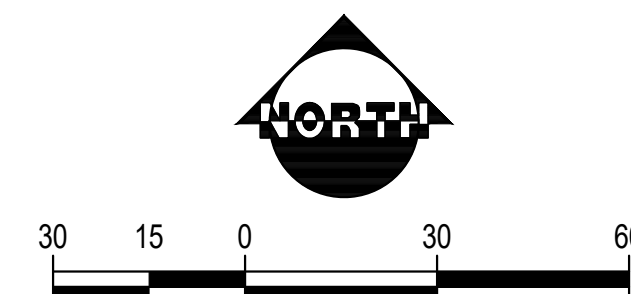
PLAN
SCALE: 1" = 30'

LEGEND



ASHPALT CONCRETE

CONCRETE SIDEWALK



30% CONCEPTUAL DESIGN PLANS



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P: (714) 481-7300 | www.pacewater.com

SHEET

C2.0

JOB NO. C104

08
TOWN OF CHINO VALLEY
WRF IMPROVEMENTS

PROPOSED SITE PLAN

PREPARED BY TAYLOR B. PIERCE	PROJECT ENGINEER 70097	SCALE AS SHOWN
R.C.E. NO.	EXP.	DESIGNED
	12/31/2025	TP
CHECKED JM	DATE SEP 2024	

[illegible]

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Coords: C104-356-24v.dwg; C104_Site.dwg; C104-Aerial.dwg; C104-XULit.dwg; C104-2D Sludge Storage Tanks Plan.dwg; 2024709-00-BASE-TOPO.dwg
Dimstyle = 40; Ltscale = 1; PS1tscale = 1; ACAD Ver. = 24.2s (LMS Tech); Vrsrelain = 1



PLAN
SCALE: 1" = 20'

CONSTRUCTION NOTES:

- 1 CONSTRUCT 8" D.I. INFLUENT LINE
- 2 CONSTRUCT 8" D.I. EQUALIZATION LINE
- 3 CONSTRUCT 6" D.I. DRAIN LINE
- 4 CONSTRUCT 4" SCH80 PVC SLUDGE LINE

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WV/C104/Engineering/C104-30 WBSheets/C104-30/C40.dwg - Tab: C30 - by: www.bent on 09/10/24 at 2:33:34 PM

SHEET

C3.0

JOB NO. C104

TITLE

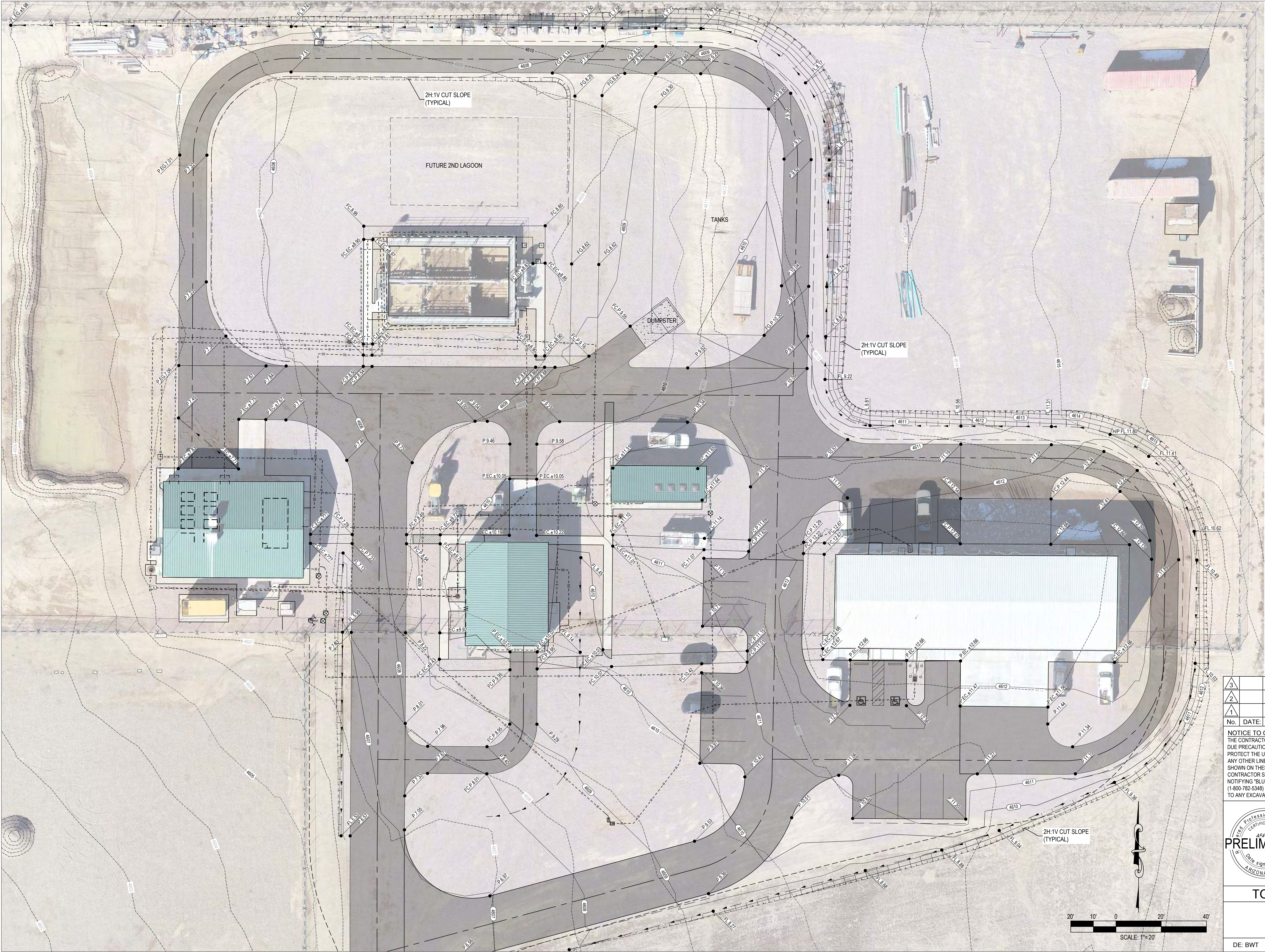
TOWN OF CHINO VALLEY
WRF IMPROVEMENTS

CHINO VALLEY
AZ

YARD PIPING

PREPARED BY TAYLOR B. PIERCE		
PROJECT ENGINEER 70097		
R.C.E. NO.		
EXP	12/31/2025	
DRAWN NT, JT, DS	SCALE AS SHOWN	
DESIGNED TP		
CHECKED JM	DATE	SEP 2024

NO	BY	DATE	REVISIONS	DATE	APP.
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No. DATE:		REVISION:		APP.
3				
2				
1				

NOTICE TO CONTRACTORS:
THE CONTRACTOR IS REQUIRED TO TAKE DUE PRECAUTIONARY MEASURES TO PROTECT THE UTILITY LINES SHOWN AND ANY OTHER LINES NOT OF RECORD OR NOT SHOWN ON THESE PLANS. THE CONTRACTOR SHALL BE RESPONSIBLE FOR NOTIFYING "BLUE STAKE" AT 1-800-STAKE-IT (1-800-782-5348) TWO WORKING DAYS PRIOR TO ANY EXCAVATION OR CONSTRUCTION.

0 1/2 1

IF THIS BAR DOES NOT MEASURE 1" THEN DRAWING ITEMS ARE NOT TO SCALE

CALL AT LEAST TWO FULL WORKING DAYS BEFORE YOU BEGIN EXCAVATION

ARIZONA

DIAL 8-1-1 OR 1-800-STAKE-IT (782-5348)
MARICOPA COUNTY: (602) 659-7500

CIVILTEC engineering inc.

Civil, Water, Wastewater, Drainage, and Transportation Engineering
Construction Management • Surveying
California • Arizona

2054 N. Willow Creek Rd.
Prescott, AZ 86301
Phone: 928.771.2376
Fax: 928.771.2377
Web: www.civiltec.com

PRELIMINARY

DATE SIGNED: 4/5/2024
PROFESSIONAL ENGINEER NO. 45668
ARIZONA, U.S.A.

TOWN OF CHINO VALLEY, ARIZONA

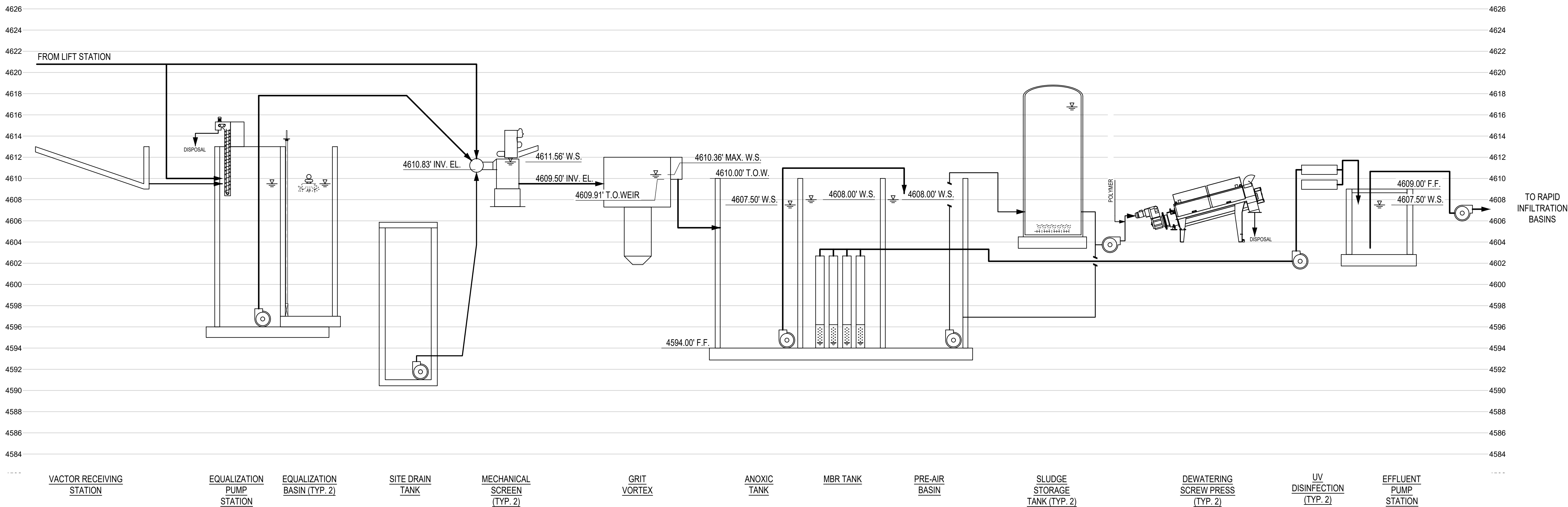
CHINO VALLEY WRF
2190 RODEO DRIVE

30% GRADING AND DRAINAGE PLAN

DE: BWT	CH: RJB	DR: BWT	JN: 2024/07.09	SHEET X OF X
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EQUIPMENT LIST

ITEM	ID #	DESCRIPTION	MANUFACTURER	MODEL #	HP	SPECIFICATIONS / DESCRIPTION	QTY
①	M-01010	EQ BASIN COARSE BAR SCREEN	AQUALITEC OR EQUAL		0.75	MECHANICALLY CLEANED BAR SCREEN WITH DROP ARM AND 1/4" BAR SPACING. 480V, 3 PHASE, 60 HZ.	1
②	M-01110 M-01210	EQ BASIN SURFACE AERATOR	AQUA-AEROBIC OR EQUAL		7.5	SURFACE AERATOR W/ SS WALL MOUNTING BRACKETS, MOORING, VOLUTE, INTAKE CONE, AND PROPELLER. TEFC, PREMIUM EFFICIENT MOTOR: 1800 RPM, 460V, 3 PHASE, 60 HZ.	2
③	PMP-01100 PMP-01200	EQ BASIN SUBMERSIBLE PUMPS	FLYGT OR EQUAL	NP 3127 MT3-ADAPTIVE 439	10.0	VFD CONTROLLED 740 GPM @ 27.9' TDH SUBMERSIBLE NON-CLOG WASTEWATER PUMP, 10 HP, 480V, 3 PHASE, 60 HZ W/ BASE AND SS GUIDE RAILS	2
④	PMP-08100 PMP-08200	PRE-AIR SUBMERSIBLE SLUDGE PUMPS	FLYGT OR EQUAL		5	26 GPM @ 22' TDH SUBMERSIBLE SLUDGE PUMPS. X HP, 480V, 3 PHASE, 60 HZ.	2
⑤	ST-08190 ST-08290	SLUDGE STORAGE TANKS	DEN HARTOG OR EQUAL	VT6250-102	N/A	6,250 GAL HDPE SINGLE CONTAINMENT STORAGE TANK W/ 4" INLET AND OUTLET PORTS AND ROOF MANWAY	2
⑥	CBD-08190 CBD-08280	COARSE BUBBLE DIFFUSER SYSTEM			N/A	3" EPDM DISK COARSE BUBBLE DIFFUSERS, RANGE 2 CFM -15.0 CFM, 20 MAX	18
⑦	PMP-08101 PMP-08201	DEWATERING FEED PUMP	BY SCREW PRESS VENDOR		5	13 GPM @ X' TDH POSITIVE DISPLACEMENT SLUDGE FEED PUMP. X HP, 480V, 3 PHASE, 60 HZ.	2
⑧	PMP-08102 PMP-08202	POLYMER DOSING PUMP SKID	BY SCREW PRESS VENDOR	PROMIX-S	1	SKID MOUNTED LIQUID POLYMER MIXING AND DOSING SYSTEM	2
⑨	DWSP-08110 DWSP-08210	DEWATERING SCREW PRESS	HUBER	Q-PRESS 440.2	2	DEWATERING SCREW PRESS PACKAGE, 304 SS CONSTRUCTION W/ FLOW METER, 15 GAL AIR COMPRESSOR, POLYMER MIXING VALVES AND INJECTION RINGS. 2HP DRIVE MOTOR, 480V, 3 PHASE, 60 HZ.	1
⑩	UV-07190 UV-07290	UV DISINFECTION UNITS	WEDECO OR EQUAL	LBX 120	N/A	1.0 MGD MAX FLOW RATE 316 SS CYLINDRICAL UV DISINFECTION REACTORS W/ 6 LOW PRESSURE HIGH INTENSITY UV LAMPS, UV INTENSITY MONITORING SYSTEM, FAN COOLED PAINTED STEEL ELECTRICAL ENCLOSURE W/ TOUCHSCREEN HMI. 480V, 3 PHASE, 60 HZ.	2



LEGEND

- | | |
|---|-------------------------|
|  | VALVE |
|  | FLOW METER |
|  | CHECK VALVE |
|  | REDUCER |
|  | HYDRAULIC GRADE LINE |
|  | MAIN FLOW PIPELINE |
|  | SECONDARY FLOW PIPELINE |
|  | CHEMICAL PIPELINE |

NOTE:

1. ELEVATIONS SHOWN ON THE HYDRAULIC PROFILE WERE OBTAINED FROM RECORD DRAWINGS.

HYDRAULIC PROFILE

N.T.S

30% CONCEPTUAL DESIGN PLANS



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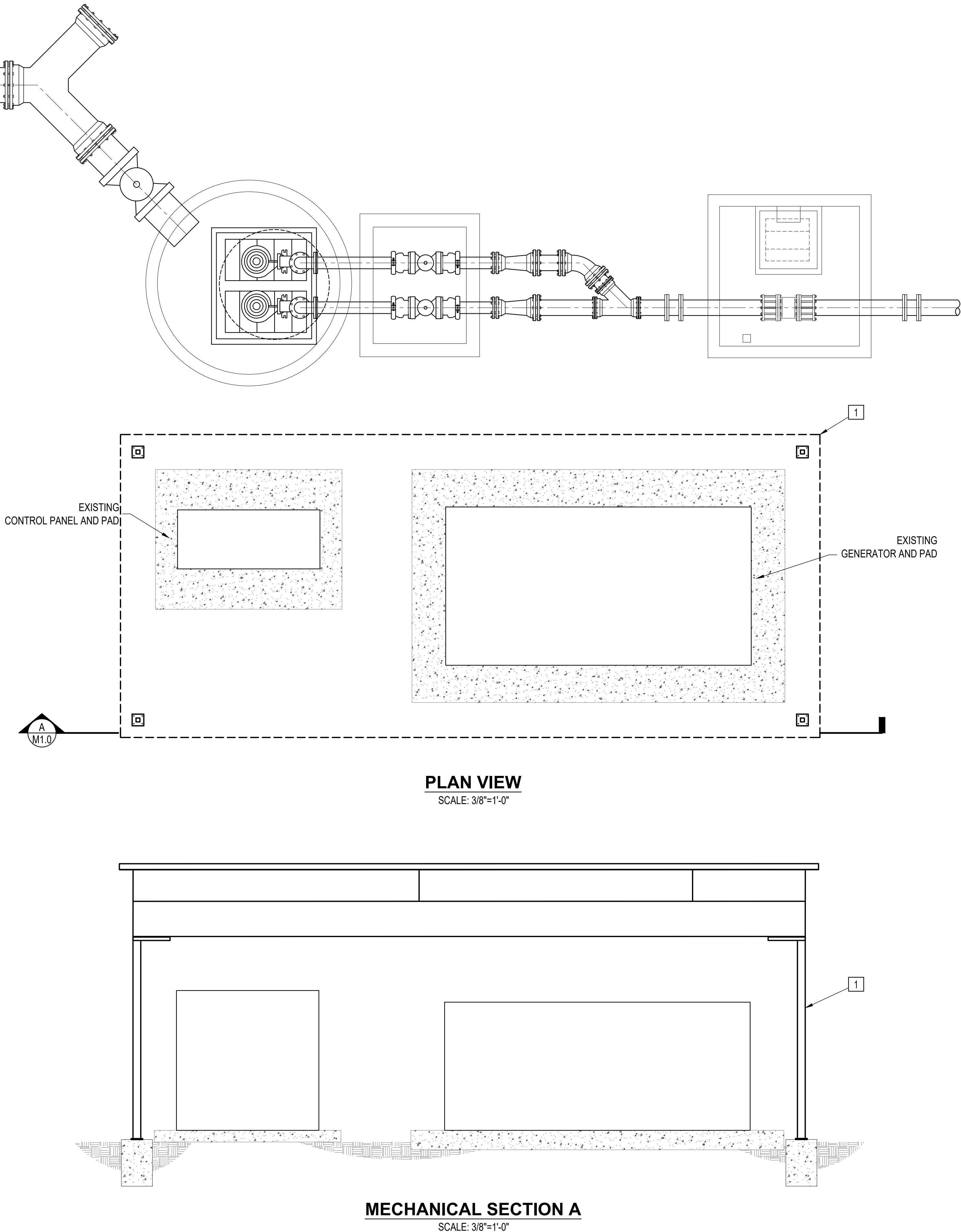
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P: (714) 481-7300 | www.pacewater.com

TOWN OF CHINO VALLEY
WRF IMPROVEMENTS

HYDRAULIC PROFILE AND EQUIPMENT LIST

Page 495 of 686

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Dimstyle = 1, L, T, text = 1, PS, scale = 1, ACO, Ver = 24.2, (LMS Tech), Vertical = 1



CONSTRUCTION NOTES:

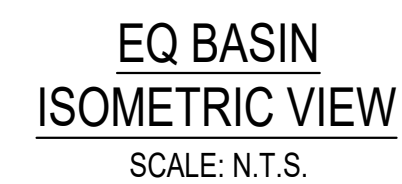
- 1 CONSTRUCT 30' x 13' STEEL SHADE STRUCTURE

30% CONCEPTUAL DESIGN PLANS

JOB		TITLE		PREPARED BY TAYLOR B. PIERCE PROJECT ENGINEER R.C.E. NO. 70087		EXP. 12/31/2025		DRAWN MT, JT, DS SCALE AS SHOWN		DESIGNED TP		CHECKED JM		DATE SEP 2024		NO.		BY		DATE		REVISIONS		DATE		APP.	
TOWN OF CHINO VALLEY WRF IMPROVEMENTS		LIFT STATION																									
CHINO VALLEY		AZ																									
PACE Advanced Water Engineering 17520 Newhops Street, Suite 200 Fountain Valley, CA 92708 P: (714) 481-7300 www.pacewater.com		SHEET M1.0																									
JOB NO. C104																											

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- 1 INSTALL SUBMERSIBLE EQ PUMP
- 2 INSTALL INFLUENT BAR SCREEN
- 3 INSTALL PUMP ACCESS HATCH
- 4 INSTALL 8" DIP
- 5 INSTALL MANUALLY ACTUATED KNIFE GATE
- 6 INSTALL 6" DIP
- 7 INSTALL 8" FLOWMETER
- 8 INSTALL ARV
- 9 INSTALL ROLL AWAY DUMPSTER
- 10 INSTALL 7.5 HP SURFACE AERATOR
- 11 INSTALL 6" GATE VALVE
- 12 INSTALL 6" CHECK VALVE
- 13 INSTALL CONCRETE PUMP PEDESTAL

[illegible]



PROPOSED E.Q. BASIN

1 INSTALL SS DRAINAGE GRATING

- 2 INSTALL CURB WITH WEEPHOLES
- 3 INSTALL 6" DIP
- 4 INSTALL 6" PLUG VALVE W/ HANDWHEEL
- 5 INSTALL 6" DIP 45° BEND

MECHANICAL PLAN

SCALE: 1"=3'-0"

30% CONCEPTUAL DESIGN PLANS



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P: (714) 481-7300 | www.pacewater.com

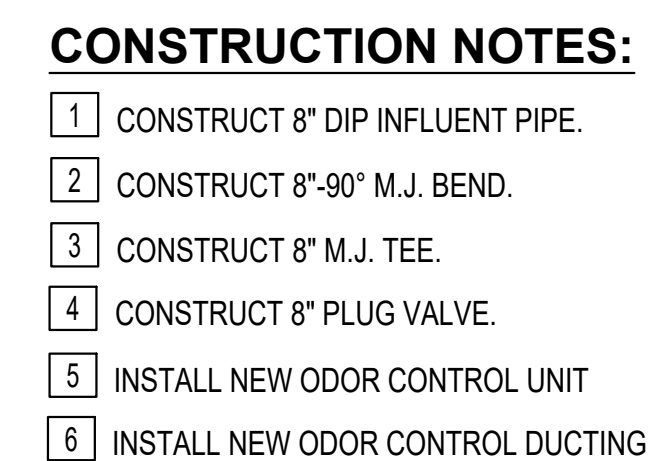
TOWN OF CHINO VALLEY
WRF IMPROVEMENTS

MAINTENANCE BED IMPROVEMENTS

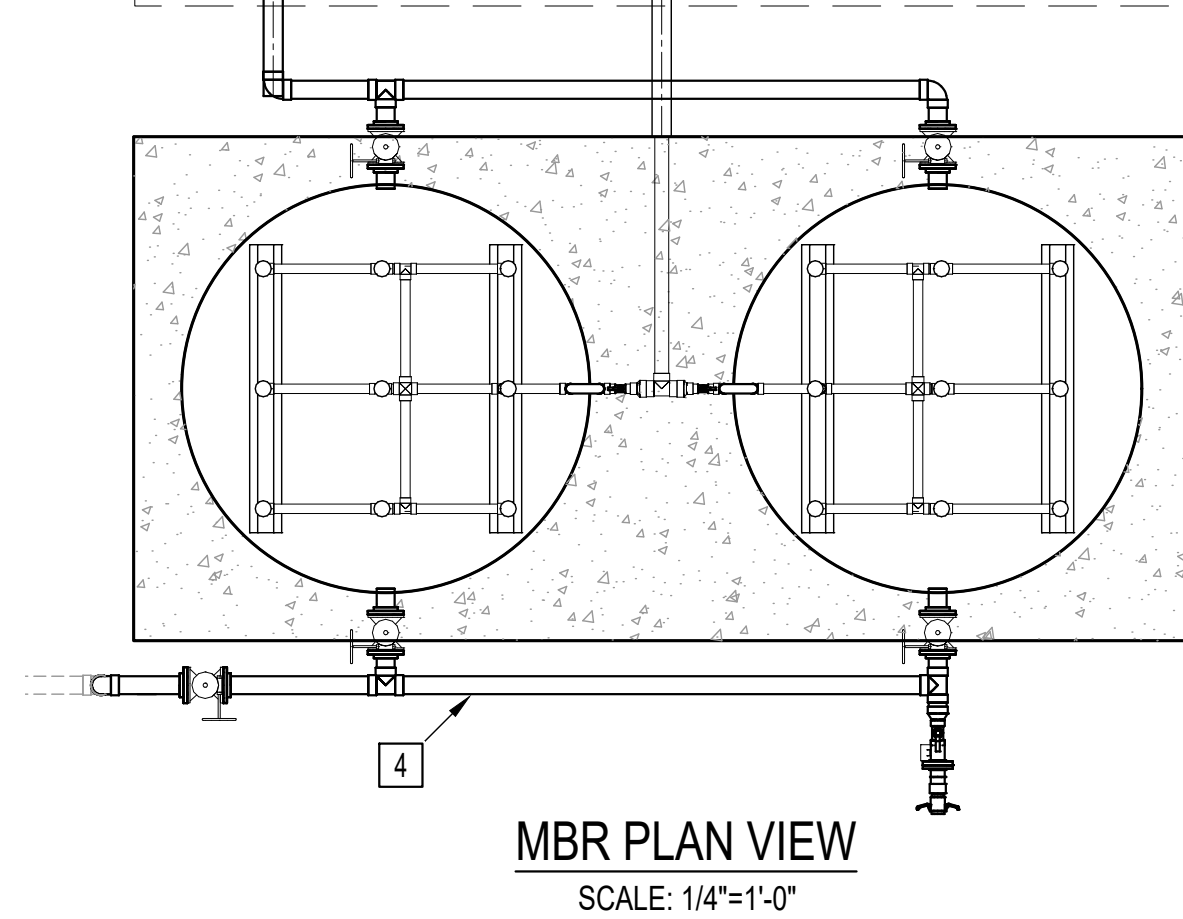
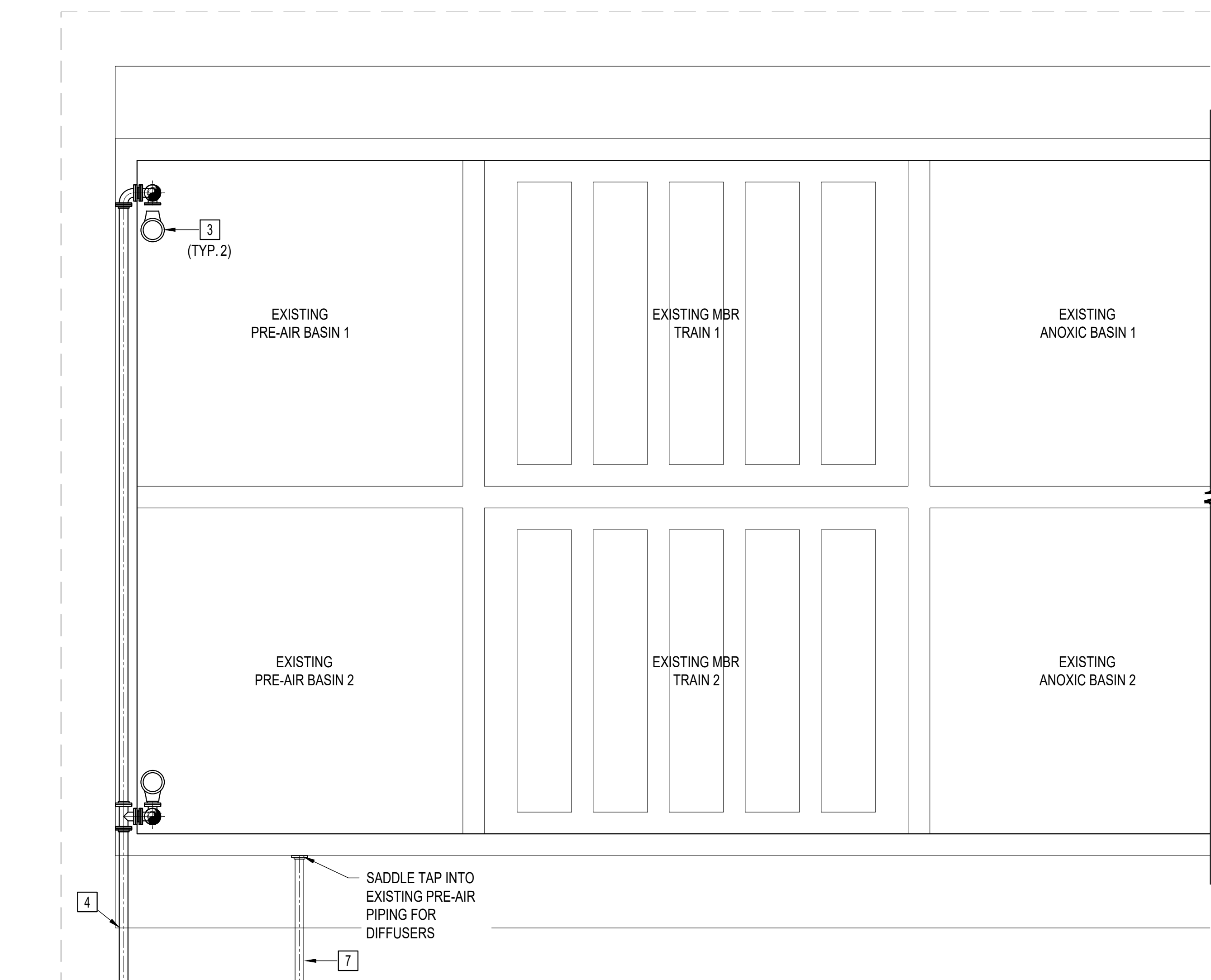
PREPARED BY TAYLOR B. PIERCE	PROJECT ENGINEER 70097	SCALE AS SHOWN
R.C.E. NO.	EXP.	
	12/31/2025	
DRAWN NT, JT, DS	DESIGNED TP	
CHECKED	DATE	

[illegible]

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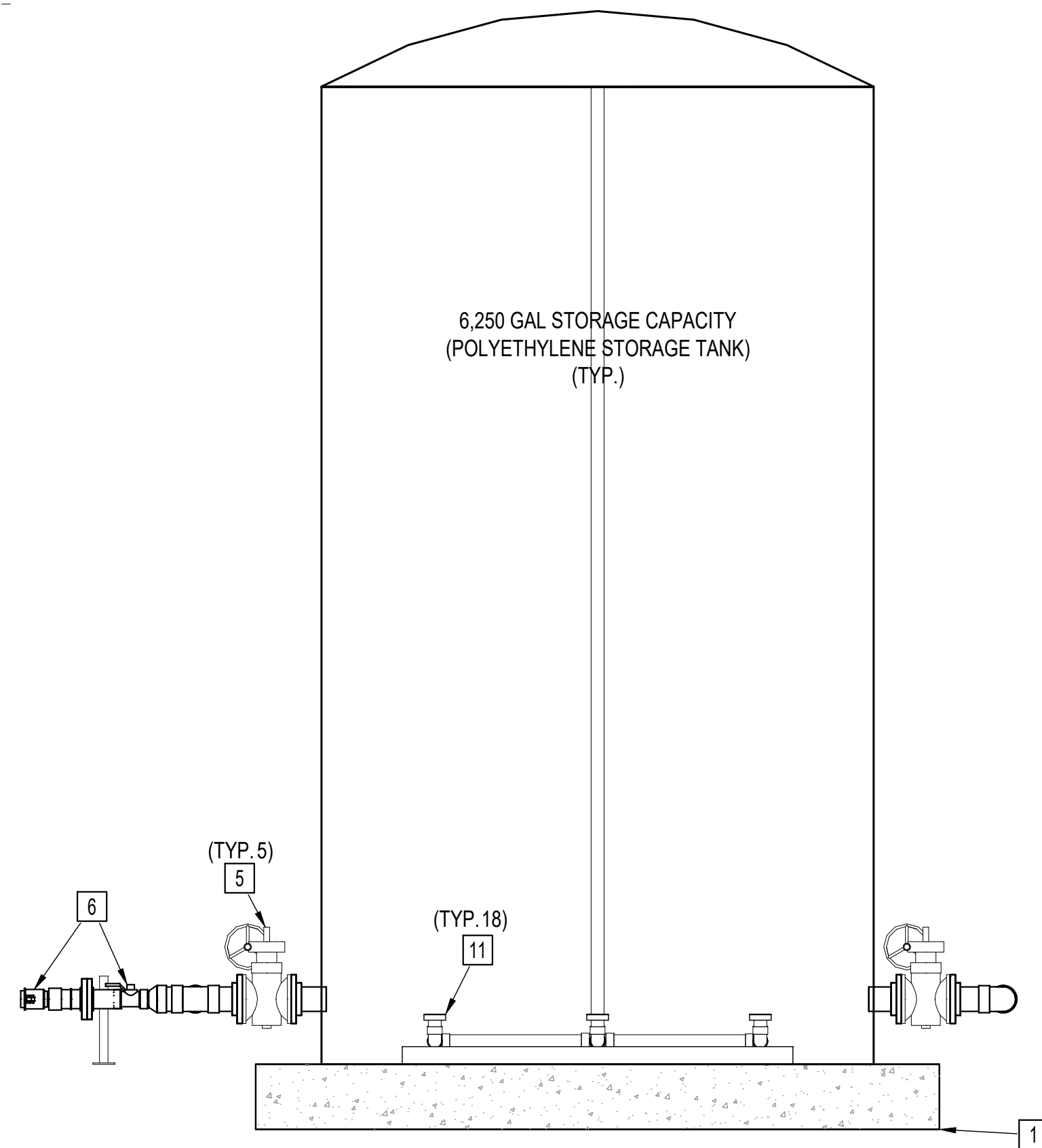


\\fs-01\cadd\dwg\C104-30\MBR Plans\Plan.dwg, C104-30 Sludge Storage Tank Sections.dwg
Dimstyle = 1, L Text = 1, PStyle = 1, ACAD Ver = 12.0 (LUS Tech) Version = 1



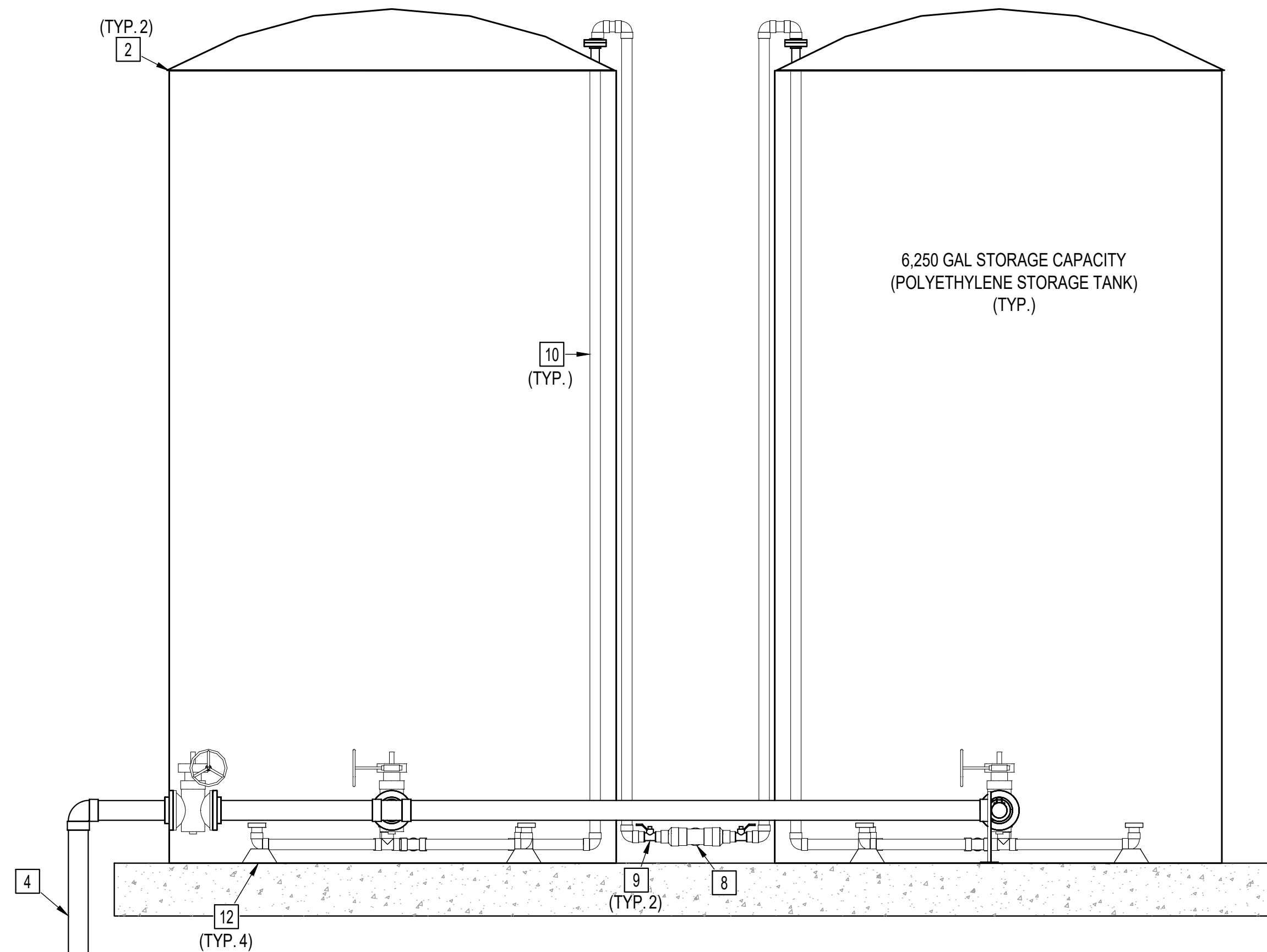
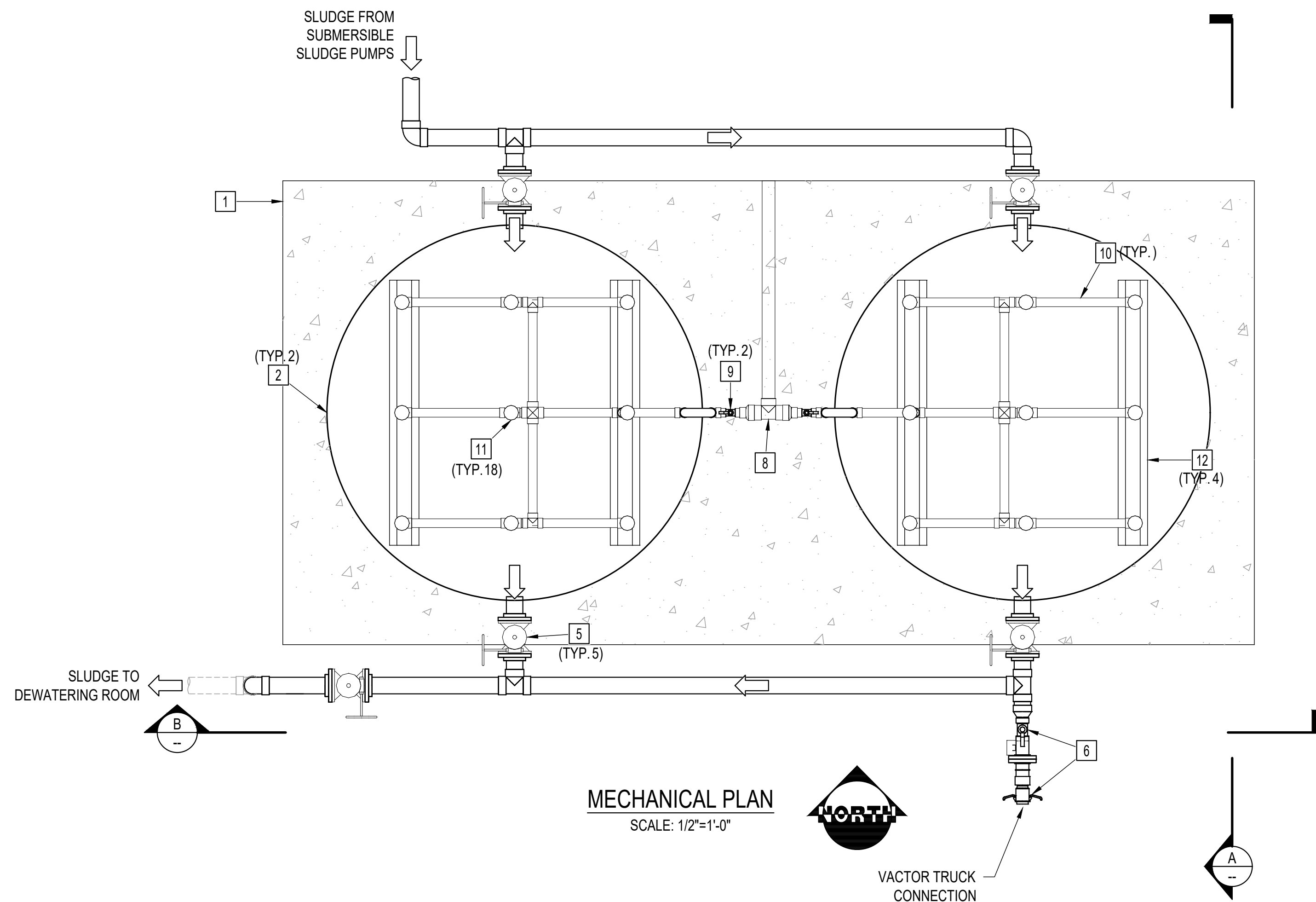
CONSTRUCTION NOTES:

- 1 CONSTRUCT CONCRETE SLUDGE TANK PAD
- 2 INSTALL 6'-6" Ø, 6,250 GAL POLYETHYLENE STORAGE TANK
- 3 INSTALL SUBMERSIBLE SLUDGE PUMP
- 4 INSTALL 4" SLUDGE LINE
- 5 INSTALL 4" PLUG VALVE W/ HANDWHEEL ACTUATOR
- 6 INSTALL BALL VALVE AND CAMLOCK
- 7 INSTALL 3" AIR LINE
- 8 INSTALL 2"x3"x2" REDUCING TEE
- 9 INSTALL 2" BALL VALVE
- 10 INSTALL 2" AIR LINE
- 11 INSTALL COARSE BUBBLE DIFFUSER
- 12 INSTALL FLOOR MOUNTED PIPE SUPPORTS



MECHANICAL SECTION - A

SCALE: 1/2"=1'-0"



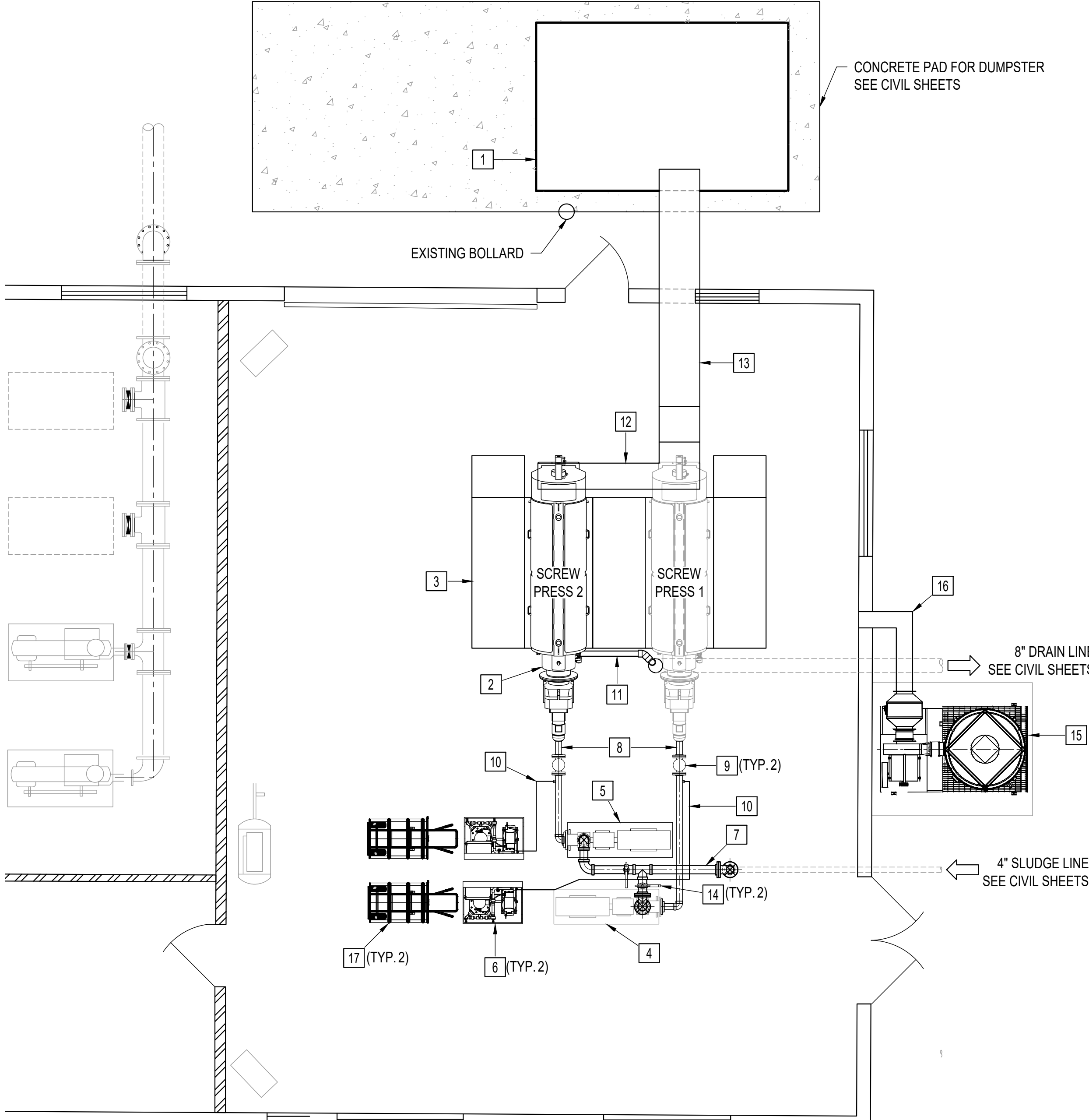
MECHANICAL SECTION - B

SCALE: 1/2"=1'-0"

30% CONCEPTUAL DESIGN PLANS

JOB		TITLE		JOB NO.		C104	
TOWN OF CHINO VALLEY		WRF IMPROVEMENTS		CHINO VALLEY		AZ	
PACE		Advanced Water Engineering		17520 Newhops Street, Suite 200 Fountain Valley, CA 92708		P: (714) 481-7300 www.pacewater.com	
SHEET		M4.0		DATE		SEP 2024	
NO.		BY		DATE		REVISIONS	
1		J.M.		12/31/2025		PROJECT ENGINEER	
2		J.M.		12/31/2025		DESIGNED	
3		J.M.		12/31/2025		CHECKED	
4		J.M.		12/31/2025		DATE	
5		J.M.		12/31/2025		SCALE	
6		J.M.		12/31/2025		AS SHOWN	
7		J.M.		12/31/2025		PROJECT ENGINEER	
8		J.M.		12/31/2025		EXP.	
9		J.M.		12/31/2025		R.C.E. NO.	
10		J.M.		12/31/2025		TAYLOR B. PIERCE	
11		J.M.		12/31/2025		PREPARED BY	
12		J.M.		12/31/2025		DATE	
13		J.M.		12/31/2025		NO.	
14		J.M.		12/31/2025		BY	
15		J.M.		12/31/2025		DATE	
16		J.M.		12/31/2025		REVISIONS	
17		J.M.		12/31/2025		DATE	
18		J.M.		12/31/2025		APP.	

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MECHANICAL PLAN

SCALE: 1/4"=1'-0"

CONSTRUCTION NOTES:

- 1 RELOCATE ROLL-OFF WASTE BIN
- 2 INSTALL NEW DEWATERING SCREW PRESS
- 3 INSTALL SCREW PRESS WALKWAY
- 4 RELOCATE EXISTING SLUDGE PUMP
- 5 INSTALL NEW SLUDGE PUMP
- 6 INSTALL POLYMER DOSING UNIT
- 7 INSTALL 4" SLUDGE PIPING
- 8 INSTALL 3" SLUDGE PIPING
- 9 INSTALL 3" CHECK VALVE
- 10 INSTALL 3/4" POLYMER DOSING LINE
- 11 INSTALL 3" DRAIN LINE
- 12 INSTALL HORIZONTAL SCREW CONVEYOR
- 13 INSTALL ANGLED SCREW CONVEYOR
- 14 INSTALL 4" PLUG VALVE
- 15 INSTALL NEW ODOR CONTROL SYSTEM
- 16 INSTALL ODOR CONTROL DUCTING
- 17 INSTALL 55 GAL POLYMER DRUM WITH DOLLE

30% CONCEPTUAL DESIGN PLANS



PACE
Advanced Water Engineering
17520 Newhope Street, Suite 200 | Fountain Valley, CA 92708

SHEET

M6.0

JOB NO. C1

5115

TOWN OF CHINO VALLEY
WRF IMPROVEMENTS

CHINO VALLEY 17

DEWATERING ROOM MECHANICAL PLAN

PREPARED BY TAYLOR B. PIERCE	PROJECT ENGINEER 70097	SCALE AS SHOWN
C.E. NO. 12312025	DESIGNED NT, JT, DS	CHECKED TP
DATE 12/31/2025		

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Dimstyle = 1, L Scale = 1, P Scale = 1, ACAD Ver = 24.2, (Units: Inch), Version = 1

ELECTRICAL GENERAL NOTES:

1. ELECTRICAL WORK SHALL COMPLY WITH THE NATIONAL ELECTRICAL CODE (2017 NEC) AS AMENDED BY THE LOCAL APPLICABLE CODE.
2. ALL WORK SHALL BE DONE IN A NEAT, WORKMANLIKE, FINISHED AND SAFE MANNER, ACCORDING TO THE LATEST PUBLISHED NATIONAL ELECTRICAL CONTRACTOR'S ASSOCIATION STANDARDS OF INSTALLATION, UNDER COMPETENT SUPERVISION.
3. CONTRACTOR SHALL VISIT THE SITE PRIOR TO CONSTRUCTION TO BECOME FAMILIAR WITH EXISTING CONDITIONS AND ALL OTHER FACTORS WHICH MAY AFFECT THE EXECUTION OF THIS WORK.
4. CONTRACTOR SHALL BE RESPONSIBLE FOR DAMAGE TO EXISTING WALKS, WALLS, DRIVEWAYS, CURBS, ETC. DAMAGES SHALL BE REPAIRED BY THE CONTRACTOR TO THE SATISFACTION OF THE AUTHORITY AT NO ADDITIONAL COST TO THE CITY.
5. CONTRACTOR SHALL PAY FOR LOCAL FEES, PERMITS AND INSPECTIONS AS MAY BE REQUIRED AND PROVIDE A CERTIFICATE OF INSPECTION TO THE AUTHORITY.
6. LEAVE THE SITE CLEAN, REMOVE ALL DEBRIS, EMPTY CARTONS, TOOLS, CONDUIT, WIRE SCRAPS AND ALL MISCELLANEOUS SPARE EQUIPMENT AND MATERIALS USED IN THE WORK DURING CONSTRUCTION.
7. IT IS THE OBLIGATION OF THE CONTRACTOR TO ORGANIZE HIS WORK SO THAT A COMPLETE ELECTRICAL, INSTRUMENTATION, AND/OR CONTROL SYSTEM FOR THE FACILITY WILL BE PROVIDED AND SUPPORTED BY ACCURATE SHOP AND RECORD DRAWINGS, AND ALL O&M MANUALS.
8. ALL CABLES SHALL BE NEW, COPPER, RATED FOR 600V AND LISTED FOR ITS LOCATION WITH A MINIMUM TEMPERATURE RATING OF 75 DEG C WET AND 90 DEG C DRY; POWER CABLES SHALL BE TYPE XHHW-2 FOR UNDERGROUND/ABOVE GROUND, UNLESS NOTED OTHERWISE.
9. MINIMUM SIZE CONDUIT ABOVE GROUND SHALL BE 3/4" AND MINIMUM SIZE CONDUIT BELOW GROUND SHALL BE 1" UNLESS NOTED OTHERWISE. ALL CONDUITS FOR POWER AND LIGHTING SHALL CONTAIN A GROUNDING CONDUCTOR.
10. MINIMUM SIZE POWER CONDUCTORS SHALL BE #12 AWG UNLESS NOTED OTHERWISE.
11. ALL TERMINAL RATINGS SHALL HAVE A MINIMUM TEMPERATURE RATING OF 75 DEG C. CABLES SHALL BE DE-RATED PER NEC 110.14 (C).
12. CONDUIT SIZE SHALL BE AS SPECIFIED IN THE PLANS OR DETAILS. UNDERGROUND CONDUIT SHALL BE SCH 40 PVC ENCASED IN CONCRETE WITH PVC COATED GALVANIZED RIGID STEEL BENDS, ELBOWS AND TURN-UPS. EXPOSED CONDUIT IN THE CHEMICAL ROOM AND OUTDOORS SHALL BE PVC COATED GRS. ALL OTHER EXPOSED ABOVE-GROUND CONDUIT SHALL BE GALVANIZED RIGID STEEL.
13. EQUIPMENT AND WIRING METHODS LOCATED OUTSIDE SHALL BE RATED FOR CORROSIVE LOCATIONS, ENCLOSURES SHALL BE NEMA 4X SS. EQUIPMENT IN THE ELECTRICAL ROOM SHALL BE NEMA 12 UNLESS NOTED OTHERWISE.
14. GROUND AND BOND ALL EQUIPMENT AND ENCLOSURES PER NEC ARTICLE 250 AND MANUFACTURER REQUIREMENTS.
15. CONTRACTOR SHALL PLAN AND INSTALL WORK IN SUCH A MANNER AS TO CONFORM TO THE STRUCTURE, AVOID OBSTRUCTIONS, PRESERVE HEADROOM AND KEEP OPENINGS AND PASSAGEWAYS CLEAR.
16. CONTRACTOR SHALL PROVIDE ALL LABOR, MATERIAL, ETC. NECESSARY FOR A COMPLETE AND WORKABLE ELECTRICAL SYSTEM WHETHER OR NOT THESE ITEMS ARE SPECIFICALLY NOTED ON THESE DRAWINGS. INCIDENTAL ITEMS NOT INDICATED ON THE DRAWINGS, NOR MENTIONED IN SPECIFICATIONS THAT CAN BE LEGITIMATELY AND REASONABLY INFERRED TO BELONG TO THE WORK DESCRIBED OR BE NECESSARY IN GOOD PRACTICE TO PROVIDE A COMPLETE SYSTEM, SHALL BE FURNISHED AND INSTALLED AS THOUGH ITEMIZED HERE IN EVERY DETAIL.
17. ALL TRENCHING, CONDUITS, ETC. SHALL BE ROUTED AND INSTALLED IN SUCH A MANNER THAT WILL NOT DAMAGE EXISTING FACILITIES OR UNDERGROUND UTILITIES. SHOULD DAMAGE OCCUR, IT WILL BE THE CONTRACTOR'S RESPONSIBILITY TO REPAIR DAMAGE TO THE SATISFACTION OF THE AUTHORITY OR INSPECTOR.
18. ALL CONDUIT RUNS SHOWN ON THIS PLAN ARE SCHEMATIC IN NATURE. THE CONTRACTOR SHALL MAKE SURE THAT ALL CONDUIT MEETS LOCAL AND STATE CODES.
19. WHEN CROSSING PATHWAYS OR SIDEWALKS, CONTRACTOR SHALL BORE UNDER EXISTING CONCRETE WALKS AND SAWCUT ASPHALT WALKS. ASPHALT WALKS AND CONCRETE SIDEWALKS TO BE REPLACED IN KIND.
20. CONTRACTOR SHALL GUARANTEE WORK INSTALLED UNDER THE CONTRACT TO BE FREE FROM DEFECTIVE WORKMANSHIP AND MATERIALS, USUAL WEAR EXPECTED, AND SHOULD ANY SUCH DEFECTS DEVELOP WITHIN A PERIOD OF ONE YEAR ACCEPTANCE OF THE PROJECT BY THE AUTHORITY, THE CONTRACTOR SHALL REPAIR AND/OR REPLACE ANY DEFECTIVE ITEMS AND DAMAGE RESULTING FROM FAILURE OF THESE ITEMS, AT NO EXPENSE WHATSOEVER TO THE AUTHORITY.
21. ALL CIRCUITS SHALL BE LEGIBLY IDENTIFIED AT THE PANEL, JUNCTION BOXES AND AT ALL EQUIPMENT IN A PERMANENT MANNER (I.E. ETCHED PLATES, CONDUCTOR TAG, PERMANENT MARKER, ETC.). THE LABELING SHALL INCLUDE PANEL CIRCUIT NUMBER, "TO" AND "FROM" IDENTIFICATION, AND MARKED "SPARE" WHERE APPLICABLE.
22. CONTRACTOR SHALL TEST ELECTRICAL SYSTEM FOR SHORT CIRCUITS AND MEGGER TEST FEEDERS AND BRANCH CIRCUIT WIRING. ENSURE LOW IMPEDANCE GROUND PATH SYSTEM. PERFORM HIPOT TESTING WHEN REQUIRED BY LOCAL JURISDICTION.

23. CONTRACTOR SHALL COORDINATE ALL EQUIPMENT CONNECTIONS WITH EQUIPMENT SUPPLIER PRIOR TO ROUGH-IN. PROVIDE ADDITIONAL FUSED DISCONNECT SWITCHES AND CONTROLS IF OVERCURRENT PROTECTION OR CONTROLS ARE NOT INTEGRAL WITH UNITS.
24. FULL LOAD AMPS (FLA) SIZES, AS NOTED IN THESE DRAWINGS, ARE BASED ON SPECIFIED EQUIPMENT DATA. CONTRACTOR SHALL VERIFY NAMEPLATE FLA OF EQUIPMENT SUPPLIED AND COORDINATE ACCORDINGLY PER EQUIPMENT SUPPLIERS RECOMMENDATIONS AND CODE REQUIREMENTS.
25. CONDUITS OR RACEWAYS INSTALLED IN AREAS WHERE ELEVATION CHANGES MAY CAUSE WATER OR MOISTURE TO ENTER THE ELECTRICAL EQUIPMENT THROUGH THE CONDUIT SHALL BE SEALED IN ACCORDANCE WITH NEC 300.5 (G).
26. MATERIALS SHALL BE NEW AND OF THE BEST QUALITY WITH MANUFACTURER'S NAME PRINTED THEREON. MATERIALS SHALL BE MANUFACTURED IN ACCORDANCE WITH NEMA, ANSI, UNDERWRITER'S LABORATORY OR OTHER APPLICABLE STANDARDS AND RATED FOR HEAVY DUTY SERVICE.
27. SELECTION OF MATERIALS SHALL BE IN STRICT ACCORDANCE WITH THE DRAWINGS AND/OR SPECIFICATIONS.
28. THE SUBMITTALS SHALL BE NEATLY GROUPED AND ORGANIZED. PERTINENT INFORMATION SHALL BE HIGHLIGHTED, AND THE SPECIFIC PRODUCT SHALL BE IDENTIFIED. ALL SUBMITTALS SHALL BE COMPLETE, AND PRESENTED IN ONE PACKAGE. THE SUBMITTAL SHALL INCLUDE A COMPLETE LIST OF THE EQUIPMENT AND MATERIALS, INCLUDING THE MANUFACTURER'S NAME, PRODUCT SPECIFICATION, DESCRIPTIVE DATA, TECHNICAL LITERATURE, PERFORMANCE CHARTS, CATALOG CUTS, INSTALLATION INSTRUCTION, AND SPARE PART RECOMMENDATIONS FOR EACH DIFFERENT ITEM OF THE EQUIPMENT SPECIFIED.
29. VERIFY ALL CONDUIT FILL RATIOS, BOX FILLS, AND CONDUIT BENDS (MAX 360 DEGREES) ARE MET PER NEC REQUIREMENTS. INSTALL PULL BOXES AND DE-RATE CABLE AMPACITY AS NECESSARY.
30. CONTRACTOR TO READ ALL THE DRAWINGS IN THIS SET TO BECOME FAMILIARIZED WITH THE FULL ELECTRICAL SCOPE, INCLUDING BUT NOT LIMITED TO THE MECHANICAL, INSTRUMENTATION AND CIVIL DRAWINGS.
31. THESE DRAWINGS AND THE PROJECT SPECIFICATIONS ARE COMPLEMENTARY. WHERE THERE IS OVERLAP, THE MORE STRINGENT REQUIREMENT WILL TAKE PRECEDENCE.
32. CONTRACTOR SHALL VERIFY ALL CIRCUITS CONTAIN LESS THAN 5% VOLTAGE DROP. CONTRACTOR SHALL PROVIDE SHORT CIRCUIT ANALYSIS AND ARC FLASH STUDY, AS REQUIRED.
33. CONTRACTOR SHALL COORDINATE AND PERFORM WORK TO THE STANDARDS OF ALL APPLICABLE UTILITY COMPANIES, INCLUDING BUT NOT LIMITED TO UNDERGROUND ELECTRICAL LINES, GAS LINES AND WATER LINES. WHEN AN ISSUE OR DISCREPANCY ARISES, NOTIFY THE AUTHORITY AND ENGINEER IMMEDIATELY.
34. CONTRACTOR TO PROVIDE REQUIREMENTS FOR NFPA 70E, AS REQUIRED.
35. CONTRACTOR SHALL NOTIFY THE ENGINEER AND THE CITY WITH ANY DISCREPANCIES FOUND DURING INSTALLATION OR REVIEW.
36. LIGHTING SHALL BE INSTALLED IN THE BUILDING TO PROVIDE A MINIMUM OF 30 FOOT CANDLES IN ALL INDOOR ROOMS.
37. ALL POWER AND LIGHTING CONDUITS SHALL HAVE A GROUND WIRE, BE AT LEAST #12 THHN, AND SIZED FOR PROPER AMPACITY DERATING AND CONDUIT FILL.
38. ALL 120V RECEPTACLES SHALL BE GFCI PROTECTED, EITHER WITH A GFCI RECEPTACLE OR THROUGH A GFCI CIRCUIT BREAKER.
39. EQUIPMENT AND WIRING METHODS IN THE WET WELL SHALL BE RATED FOR CLASS 1 / DIV 1 GROUP D. REFER TO HAZARDOUS AREA DETAILS ON SHEET E4.0. ALL HAZARDOUS EQUIPMENT INSTALLATIONS SHALL BE PER NEC HAZARDOUS REQUIREMENTS. [CEC 110.3(B), 110.13(A), CBC 1613.1, 1705.12.6 ASCE 7-16, CHAPTER 13].
40. ELECTRICAL EQUIPMENT INCLUDING, BUT NOT LIMITED TO, ELECTRICAL SERVICE EQUIPMENT AND DISTRIBUTION PANELBOARDS SHALL BE SEISMIC-CERTIFIED AND ANCHORED ACCORDING TO EQUIPMENT MANUFACTURER'S INSTALLATION INSTRUCTIONS.
41. ALL POWER CONDUCTORS TO HAVE A 112 DEGREE FAHRENHEIT TEMPERATURE CORRECTION FACTOR.

30% CONCEPTUAL DESIGN PLANS

P A C E Advanced Water Engineering 17520 Newhops Street, Suite 200 Fountain Valley, CA 92708 P: (714) 481-7300 www.pacewater.com		J O B CHINO VALLEY WRF TOWN OF CHINO VALLEY WRF IMPROVEMENTS CHINO VALLEY		T I T L E GENERAL ELECTRICAL NOTES		P R E P A R E D B Y BASHAR ISHAQ P R O J E C T E N G I N E E R R C E N O E X P 09/30/2023 D R A W N R S S C A L E A S S H O W N D E S I G N E D R S C H E C K E D B I D A T E MAY 2023		A A A A A NO		B Y DATE		R E V I S I O N S		D A T E A P P .	
SHEET E0.0		J O B N O. C104													

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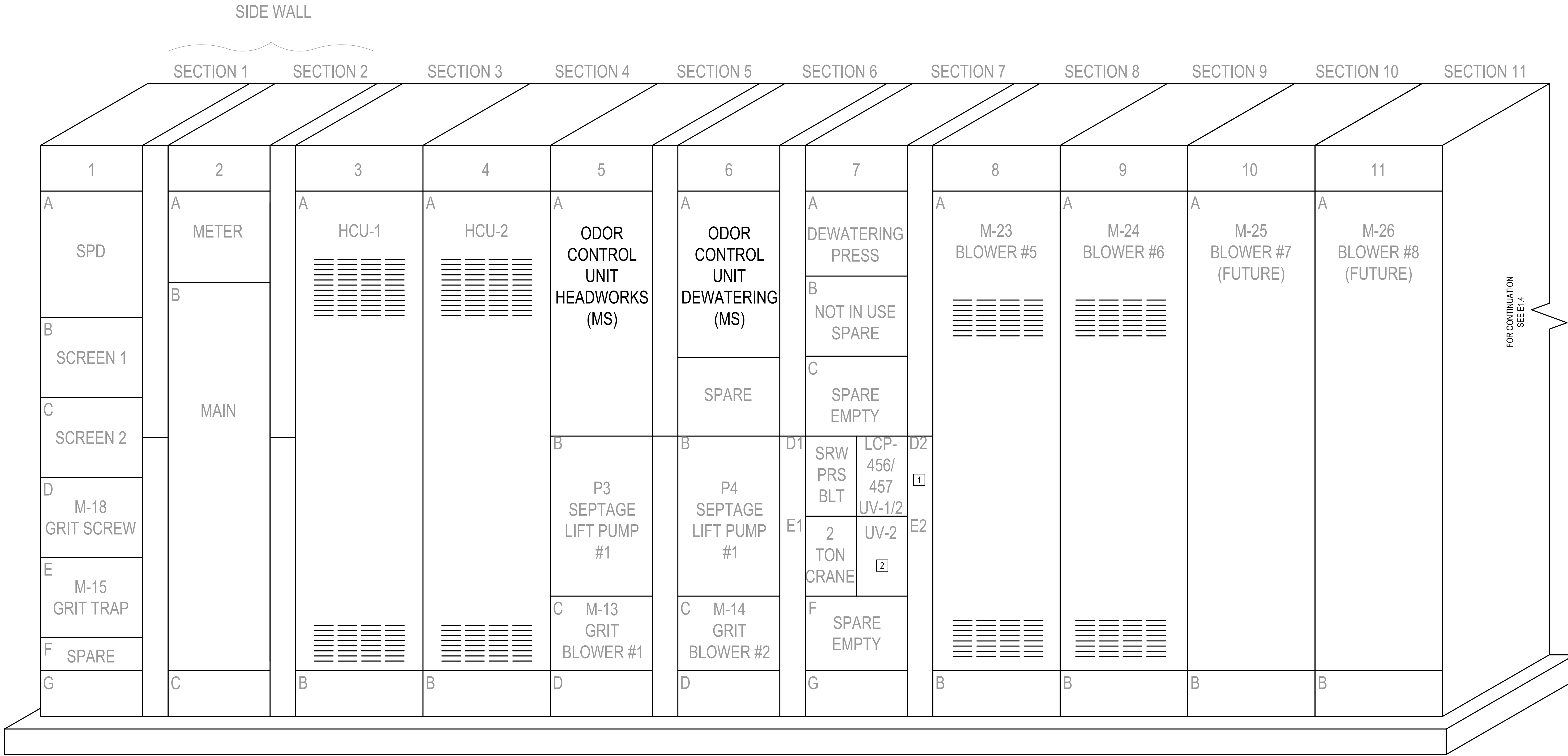
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CONSTRUCTION NOTES:

- 1

UV-1 (E) TO REMAIN AND MOVE UV-2 DOWN TO SECTION 7 ROW E2
- 2

INSTALL NEW CIRCUIT BREAKER FOR UV-2



30% CONCEPTUAL DESIGN PLANS

PREPARED BY BASHAR ISHAQ PROJECT ENGINEER R.C.E. NO. 24090		EXP. 09/30/2023		SCALE AS SHOWN		DRAWN R.S.		DESIGNED R.S.		CHECKED B.I.		DATE MAY 2023		NO.		BY		DATE		REVISIONS		DATE		APP.	
TITLE																									
MCC-1 ELEVATION I																									
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PACE Advanced Water Engineering 17520 Newhops Street, Suite 200 Fountain Valley, CA 92708 P: (714) 481-7300 www.pacewater.com																									
SHEET																									
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JOB NO. C104																									

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CONSTRUCTION NOTES:
 1 NEW DANFOSS VLT VFD'S



**CHINO VALLEY WRF
TOWN OF CHINO VALLEY
WRF IMPROVEMENTS**

MCC-1 ELEVATION II

PREPARED BY	BASHAR ISHAQ		
PROJECT ENGINEER	34090		
R.C.E. NO.	EXP. 09/30/2023		
DRAWN	SCALE	AS SHOWN	
R.S.	DESIGNED		
R.S.	R.S.		
CHECKED	DATE	11/1/2023	

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3 CONTRACTOR TO VERIFY WHICH CB FEEDS THE BELT PRESS THAT WILL BE DEMOLISHED AND TO UPDATE PANEL SCHEDULE.

(E) EXISTING
(N) NEW

(N) NEW

1. PROVIDE UPDATED, COMPLETE, AND ACCURATE TYPED PANELBOARD CIRCUIT DIRECTORIES AT THE COMPLETION OF WORK.
2. CIRCUIT BREAKERS SHALL BE THERMAL MAGNETIC, TRIP INDICATING.
3. MULTI-POLE CIRCUIT BREAKERS SHALL BE EQUIPPED WITH AN INTERNAL COMMON TRIP MECHANISM.
4. CIRCUIT BREAKERS SHALL BE OF THE SAME MANUFACTURER AS THE PANELBOARD.
5. PANELBOARDS SHALL BE BOLT-ON TYPE.
6. BREAKER SHALL HAVE FIXED LOCKS WHEN REQUIRED BY NEC CODE.
7. PANELBOARDS SHALL BE PROVIDED WITH SPARE BREAKERS AS INDICATED.
8. "SPACE" INDICATES A LISTED CIRCUIT BREAKER COVER.
9. BOTH ENDS OF CONDUCTORS SHALL BE LABELED WITH THE PANEL NAME AND CIRCUIT.
10. EQUIPMENT FED FROM PANELBOARDS SHALL BE LABELED WITH THEIR CIRCUIT IN ACCORDANCE WITH NEC 110.22 (A).
11. ** LOADS UNKNOWN. LOADS ASSUMED AT 80% OF THE CIRCUIT BREAKER AMPERAGE RATING.

3

(N)

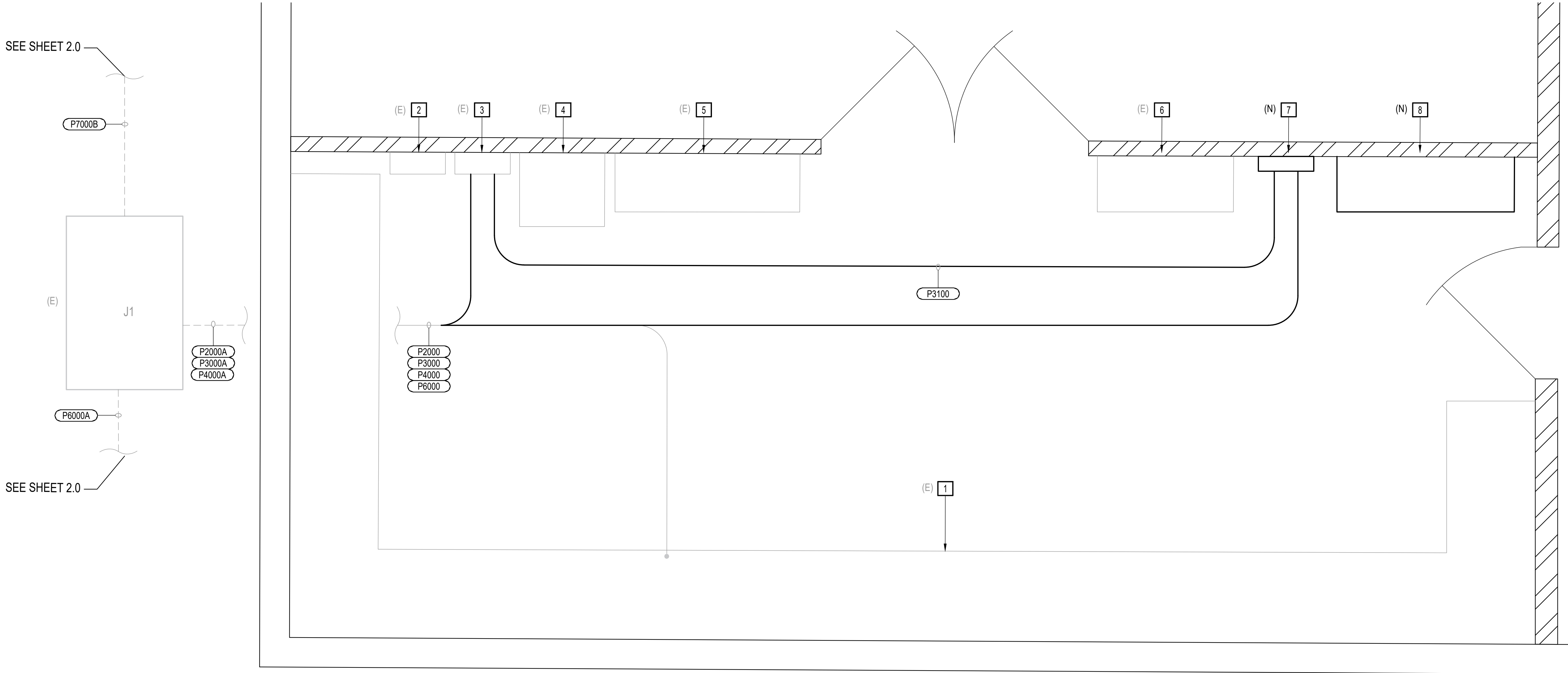
PANEL SCHEDULES

CHECKED	DATE
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Dimstyle = 1, LTstyle = 1, PStyle = 1, ACAD (Ver. = 24.2) (LMS Tech), Version = 1



CONSTRUCTION NOTES:

- 1 MOTOR CONTROL CENTER (MCC-1)
- 2 DP-1
- 3 LP-1
- 4 LP-1 XFMR
- 5 PLC
- 6 BLOWER #6 VFD CABINET
- 7 NEW OUTDOOR LIGHTING CONTROL PANEL (LCP-C), 120-277 VAC, 1PH, 8 RELAYS, DIGITAL TIME CLOCK, ANALOG PHOTOSENSOR (WIRED TO PANEL MTD. OUTDOOR), PANEL DIMS: 14.41\"H x 14.41\"W x 4.05\"D, MFR: ACUITY BRANDS, PN ARP INTENC08 NLT-8FCR-MVOLT-SC-SM-DTC-ARPA APS OL (OR APPROVED EQUAL). SEE SHEET E8.30
- 8 NEW RIO CABINET

LEGEND:

- (E) EXISTING
(N) NEW

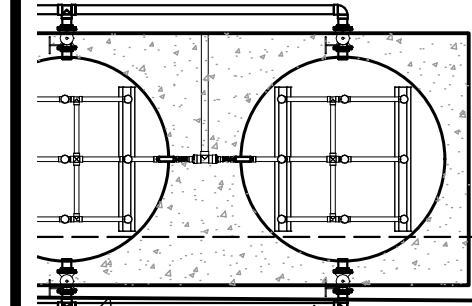
ELECTRICAL PLAN

SCALE: 3/4\"=1'-0"

30% CONCEPTUAL DESIGN PLANS

P ACE Advanced Water Engineering 17520 Newhops Street, Suite 200 Fountain Valley, CA 92708 P: (714) 481-7300 www.pacewater.com	JOB CHINO VALLEY WRF TOWN OF CHINO VALLEY WRF IMPROVEMENTS CHINO VALLEY A/E	TITLE ELECTRICAL ROOM LAYOUT	PREPARED BY BASHAR ISHAQ PROJECT ENGINEER R.C.E. NO. 34090 EXP. 09/30/2023		SCALE AS SHOWN DRAWN R.S. DESIGNED R.S. CHECKED B.I. DATE MAY 2023		NO. BY DATE		REVISIONS		DATE / APP.	

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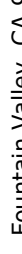
1 TRANSITION CONDUIT TO SURFACE MOUNT.

A diagram showing two L-shaped links connected by a square joint. Each L-shaped link is represented by a circle with an 'L' inside, and four lines radiating from the circle. The two L-shaped links are connected by a square joint, which is a square with lines extending from its sides to the L-shaped links.

POLE MOUNTED, DOUBLE MAST, LED
LIGHTING PER DETAIL "H" E8.2

HASH MARKS INDICATE NUMBER OF CURRENT CARRYING CONDUCTORS. GROUND CONDUCTOR(S) NOT SHOWN FOR CLARITY. ALL CONDUITS SHALL HAVE A MINIMUM #12 GROUND AND SIZED PER CODE REQUIREMENTS.

1. CONDUCTORS FOR HOME RUN CIRCUITS FOR LIGHTING & RECEPTACLES SHALL BE #10 AWG MINIMUM SIZE.
2. ALL WIRING SHOWN SHALL BE WITHIN CONDUITS (PVC COATED RGS FOR OUTDOOR EXPOSED CONDUIT AND RGS FOR INDOOR CONDUIT).
3. ALL CONDUITS SHALL CONTAIN A PROPERLY SIZED GROUND CONDUCTOR. DE-RATE CONDUCTORS PER NEC 310.15(C)(1).
4. MOUNT AND WIRE ALL EQUIPMENT PER MANUFACTURER REQUIREMENTS.
5. DE-RATE CONDUCTOR AMPACITY BASED ON # OF CURRENT CARRYING CONDUCTORS AS APPLICABLE.



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JOB NO. C104

CHINO VALLEY WRF TOWN OF CHINO VALLEY WRF IMPROVEMENTS

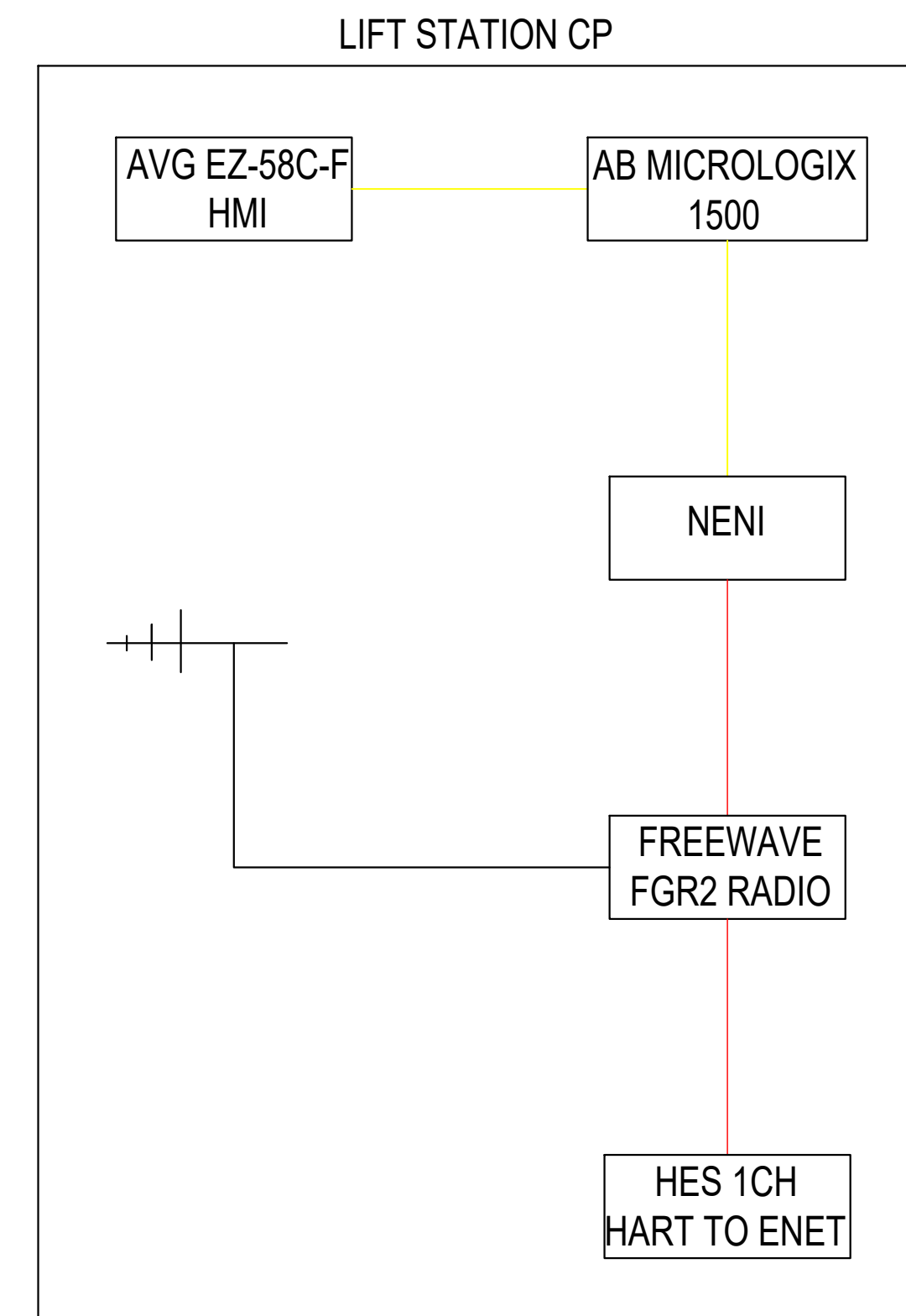
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PREPARED BY BASHAR ISHAQ							
PROJECT ENGINEER SAUD							
P.C.E. NO.							
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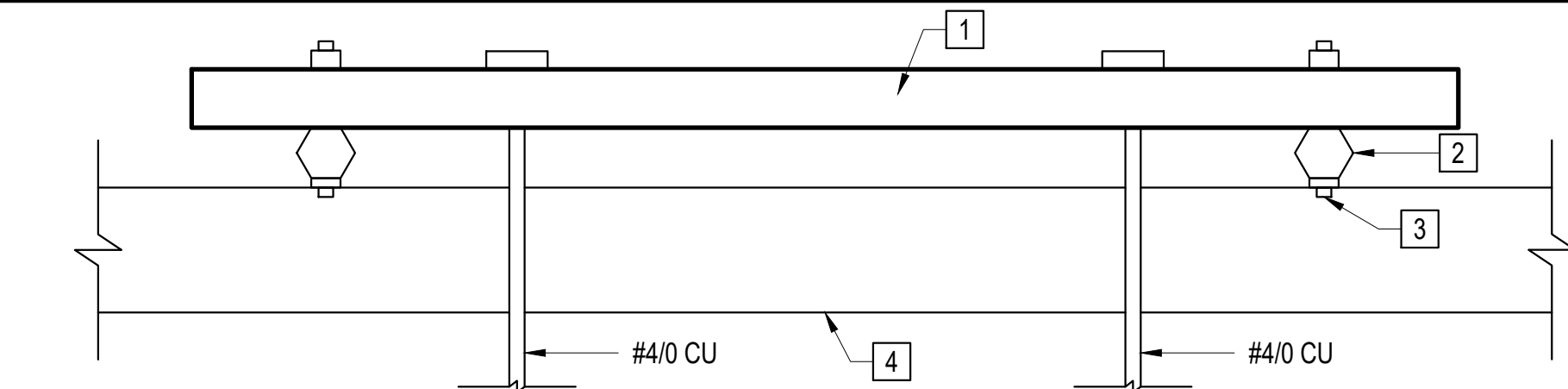
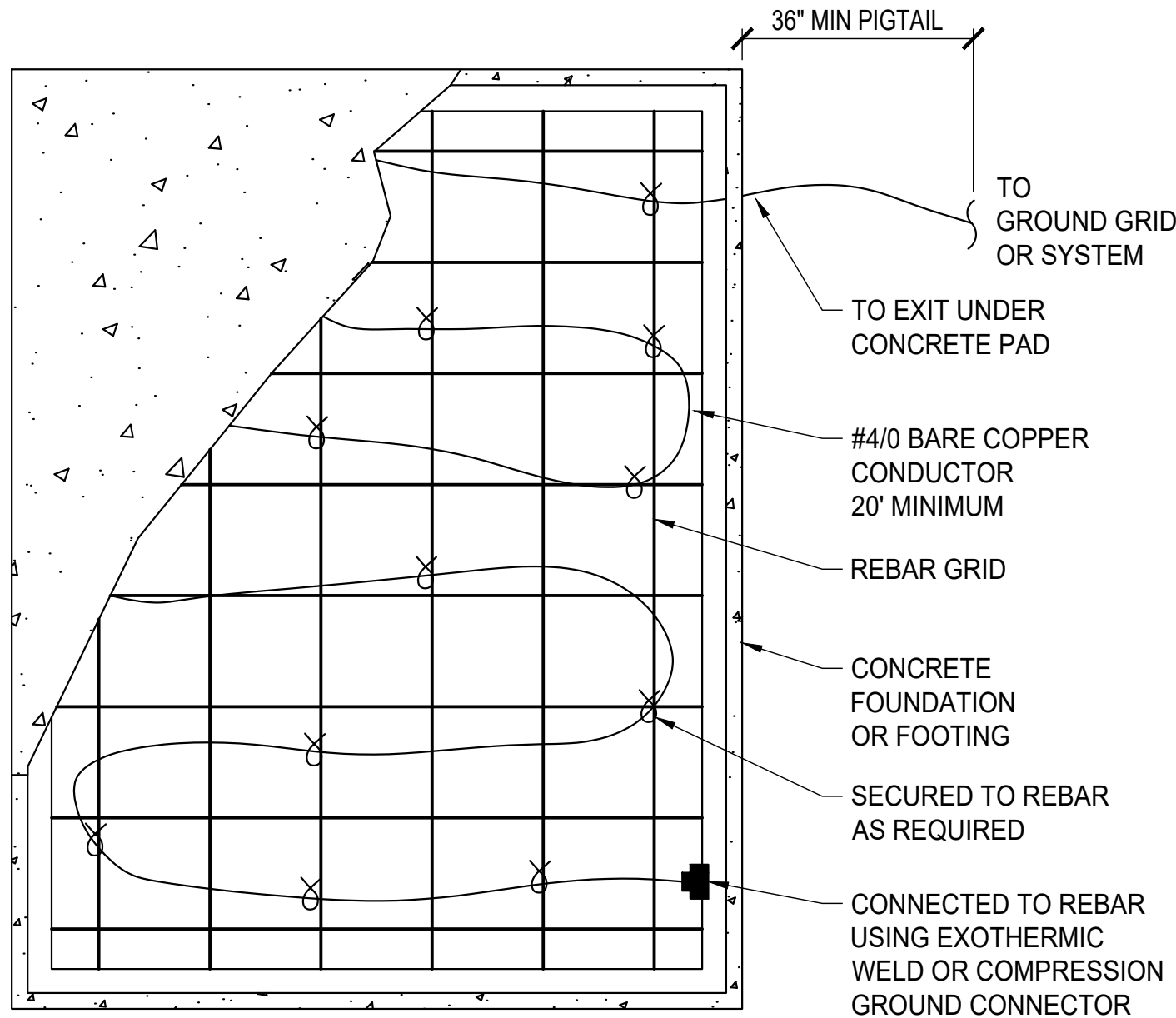
LIGHTING PLAN



WIRE LEGEND

- ETHERNET
- SERIAL
- FIBER
- COAX

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- NOTES:
- 1 4" W X 1/4" D X 24" L GROUNDING BUSBAR, COPPER, MOUNTED 12" AFF.
 - 2 STANDOFF INSULATOR AS REQUIRED.
 - 3 WALL ANCHOR.
 - 4 BUILDING WALL.
 - 5 GROUNDING ELECTRODE CONDUCTOR(S) SHALL BE INSTALLED IN ONE CONTINUOUS LENGTH, WITH A SPLICE OR JOINT BEING MADE ONLY BY IRREVERSIBLE COMPRESSION TYPE CONNECTORS LISTED AS GROUNDING AND BONDING EQUIPMENT OR BY EXOTHERMIC WELDING, PER NEC 250.64(C)1

GROUNDING PLATE DETAIL

NTS

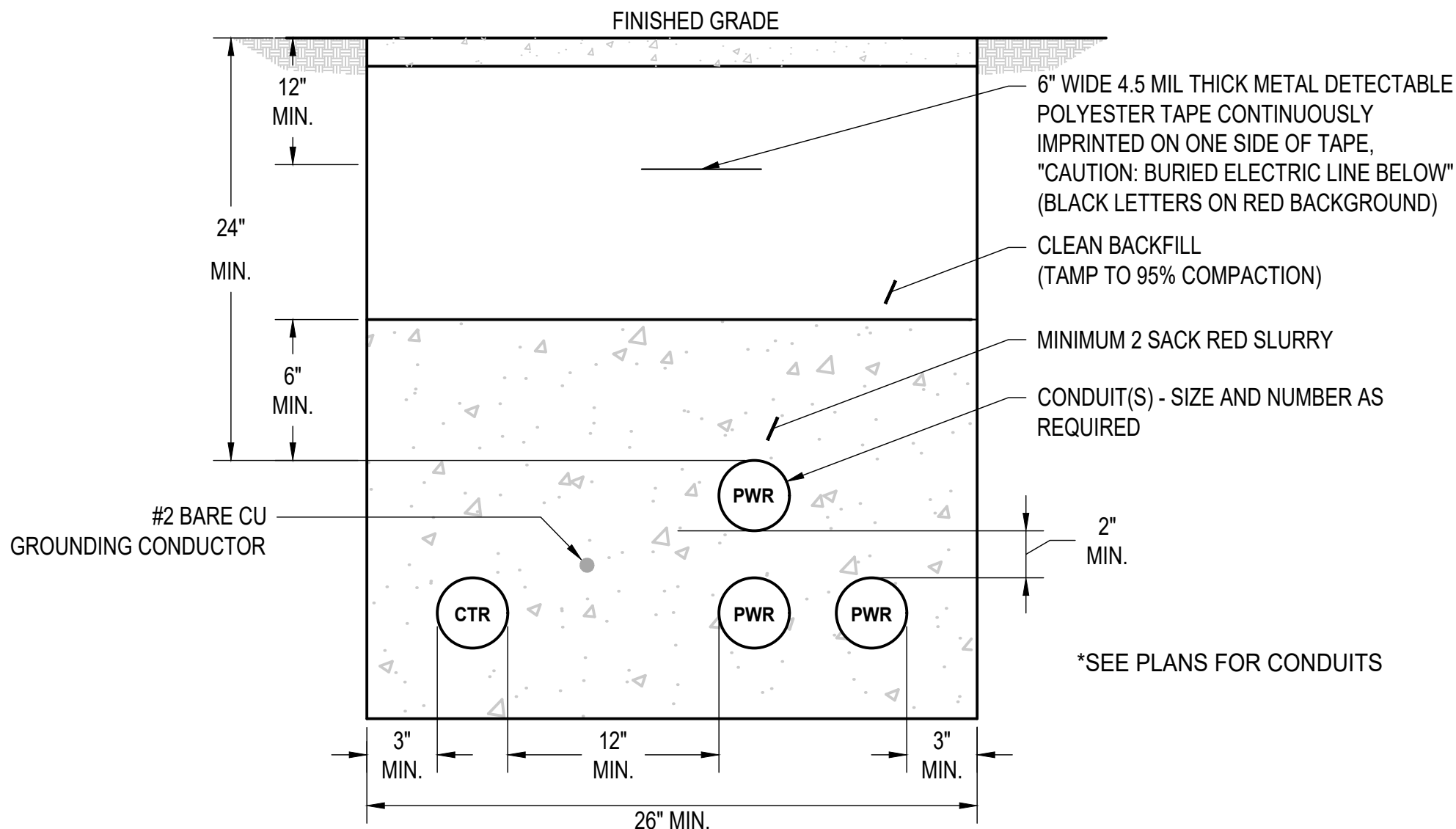
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NOT USED

NTS

C

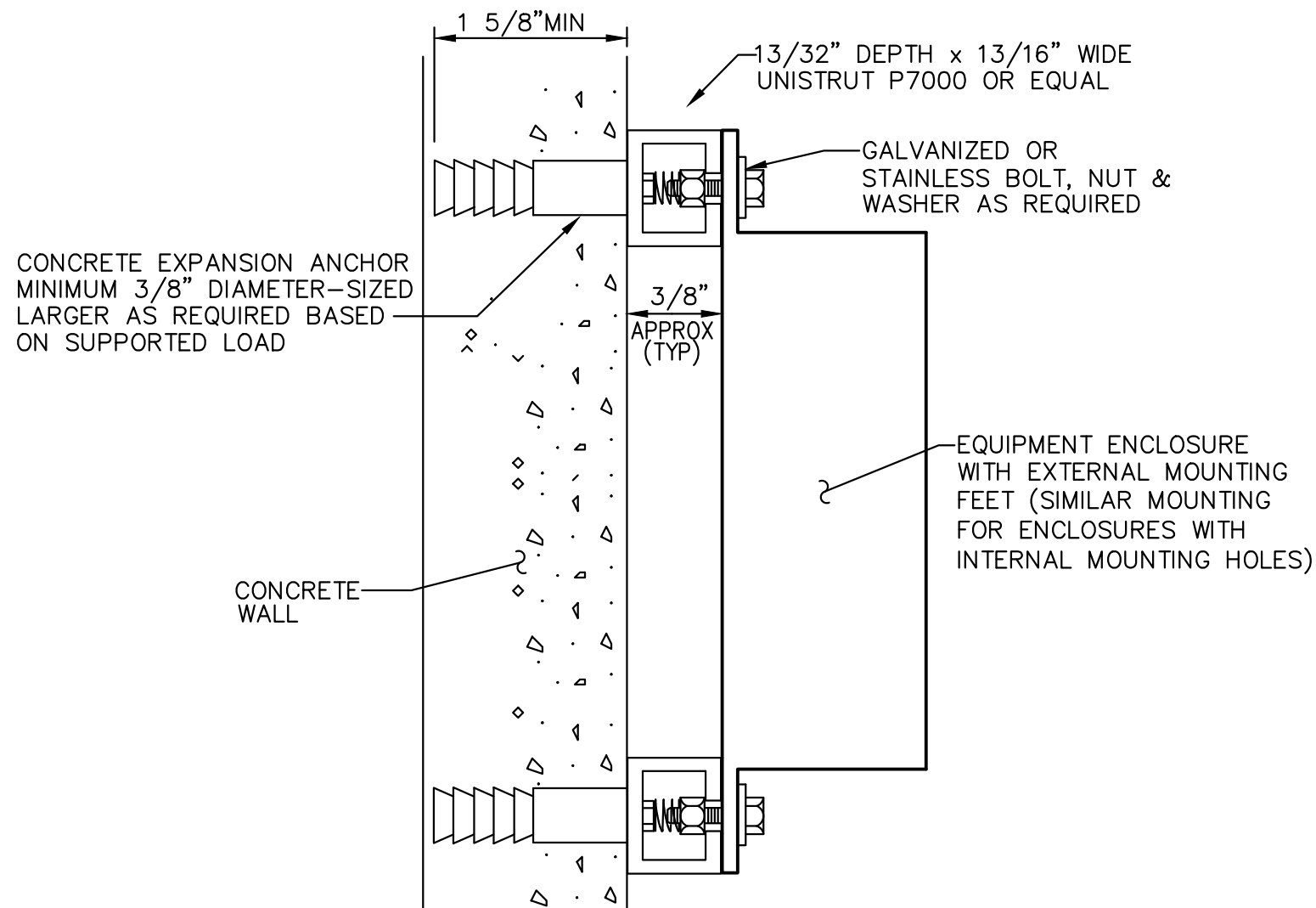
- NOTES:
1. ALL DIMENSIONS ARE MINIMUM. SEE PLANS AND CONDUIT SCHED.
 2. BARE COPPER INSTALLED PER NEC 250.52 (A)(3).
 3. MAINTAIN 24" MINIMUM CLEARANCE FROM POWER CONDUITS AND GAS/SEWER LINES.
 4. MAINTAIN 12" MINIMUM CLEARANCE FROM POWER CONDUITS AND WATER/CONTROL LINES.
 5. MAINTAIN 2" MINIMUM FROM OTHER CONDUITS.
 6. INSTALL CONDUIT SUPPORT EVERY 5 FEET MINIMUM.
 7. INSTALL #4 REBAR CAGE EVERY 5 FEET MINIMUM.
 8. REPLACE SOIL/CONCRETE WITH IN KIND MATERIAL AFTER COMPLETION.
 9. ALL UNDERGROUND CONDUIT TO BE PVC COATED GRs.



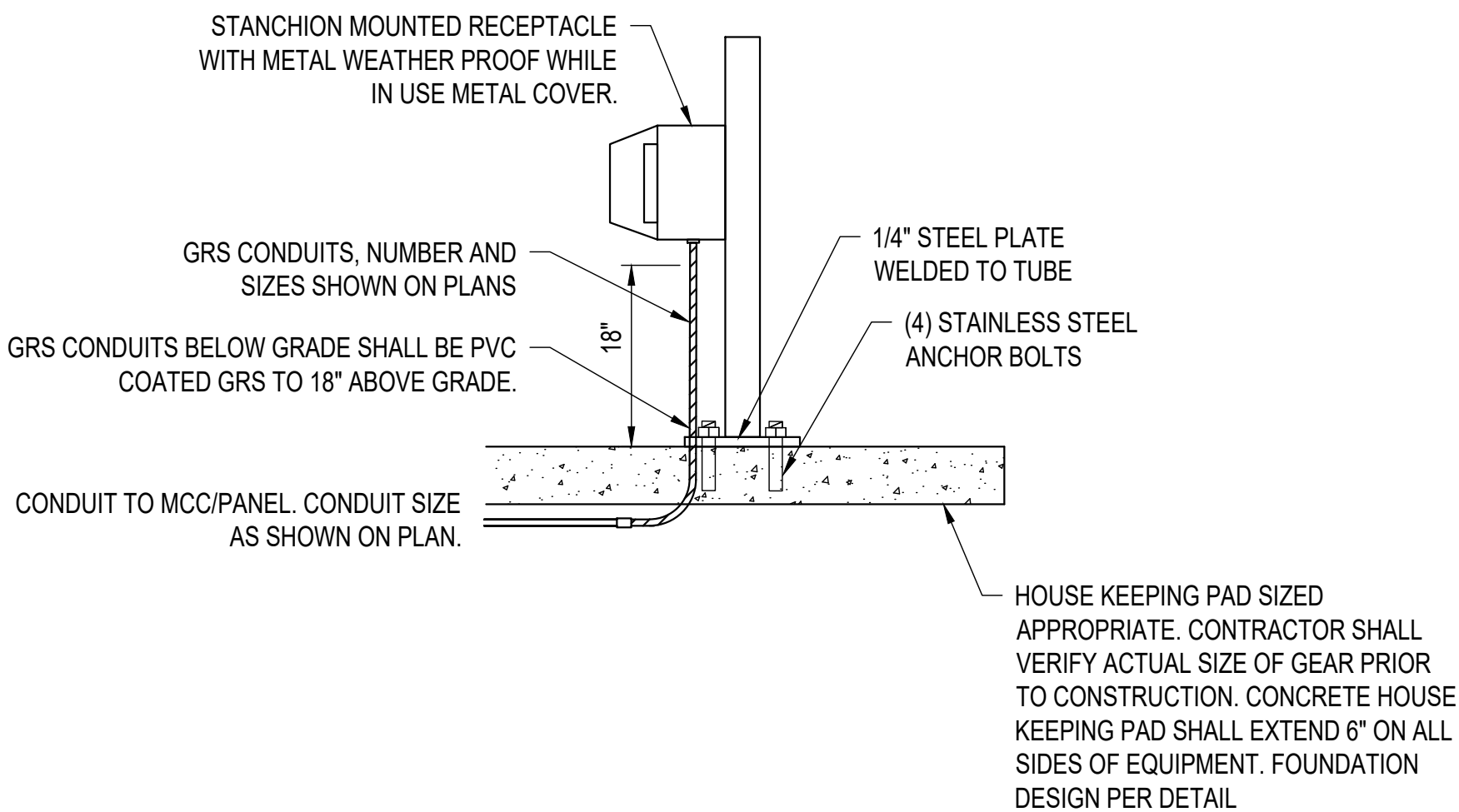
UNDERGROUND CONDUIT DETAIL - TYPICAL

NTS

A



NOTE:
APPLICABLE FOR ALL NON CAST-IRON ENCLOSURES OR BOXES



STANCHION MOUNTED RECEPTACLE

NTS

F

NOT USED

NTS

G

"UFER" GROUNDING DETAIL

NTS

A

30% CONCEPTUAL DESIGN PLANS



CHINO VALLEY WRF
TOWN OF CHINO VALLEY
WRF IMPROVEMENTS

CHINO VALLEY

AZ

ELECTRICAL
DETAILS II

PREPARED BY
BASHAR ISHAQ
PROJECT ENGINEER
R.C.E. NO. 24090
EXP. 09/30/2023
DRAWN
R.S.
SCALE
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DESIGNED
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Dimstyle = 24, L Scale = 1, P Scale = 1, ACAD Ver = 24.2a (US Tech), Version = 1

NOTES:

- EQUIPMENT BASE TOP SHALL BE LEVEL. REFER TO STRUCTURAL ENGINEER ON DETAILS.
- PRIOR TO EQUIPMENT BASE INSTALLATION, COMPACT SOIL UNDER AND 6" BEYOND THE BASE TO 95% RELATIVE COMPACTION.

SECTION THROUGH EQUIPMENT DEPTH

NOTES:

- EQUIPMENT BASE TOP SHALL BE LEVEL. REFER TO STRUCTURAL ENGINEER ON DETAILS.
- CONTRACTOR SHALL VERIFY ACTUAL SIZE OF ALL FLOOR MOUNTED ELECTRICAL EQUIPMENT PRIOR TO CONSTRUCTION.

SLAB SURFACE SHALL BE ROUGHENED, CLEANED AND APPLY EPOXY BOUNDING COMPOUND PRIOR TO PLACING NEW CONCRETE HOUSE KEEPING PAD.

ELECTRICAL EQUIPMENT FOUNDATION DETAIL

NTS

A

HOUSE KEEPING PAD DETAIL

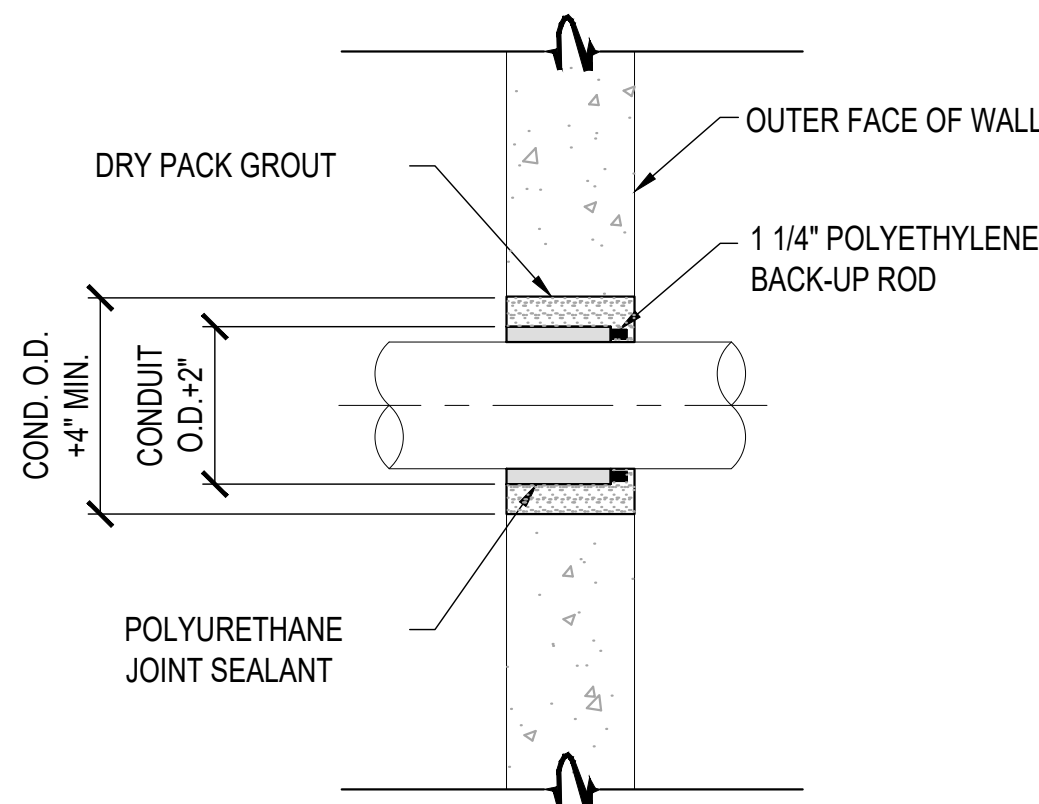
NTS

B

VERTICAL PUMP MOTOR DETAIL

NTS

C



NOTE:

- FLANGED TYPE CONDUIT PENETRATION SEALANT SHALL BE USED WHERE INDICATED ON THE PLANS.

CONDUIT PENETRATION THROUGH WALL - FLANGE TYPE

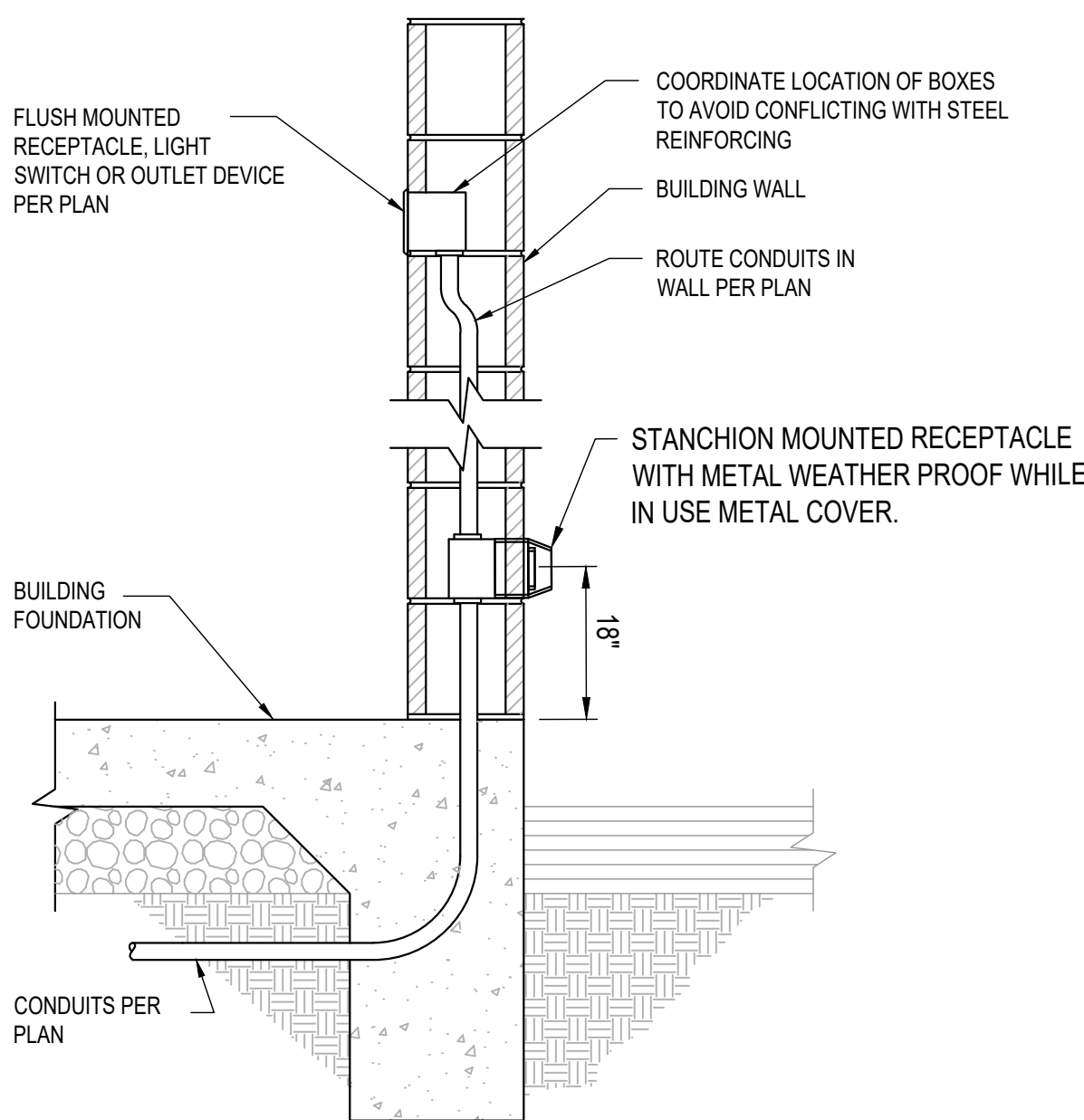
NTS

E

MASONRY WALL CONDUIT PENETRATION - ABOVE GROUND

NTS

D



NOTES:

- CONDUIT PLACEMENT/SPACING IN THE CMU WALL SHALL BE DONE IN A MANNER THAT DOES NOT AFFECT THE STRUCTURAL INTEGRITY OF THE WALL AND MAINTAINS COMPLIANCE WITH BUILDING STRUCTURAL CODES.
- BOXES IN CONDITIONED AREAS SHALL BE FLUSH WITH THE WALL AND INSTALLED PER NEC 314.19 AND 314.20.
- CONDUITS CONCEALED IN CMU WALLS SHALL BE PVC SCH. 40, MINIMUM SIZE 1", AND ENCASED IN CONCRETE.

CONDUITS/OUTLETS IN MASONRY WALL DETAIL

NTS

F

ANALYZER/CONTROLLER DETAIL

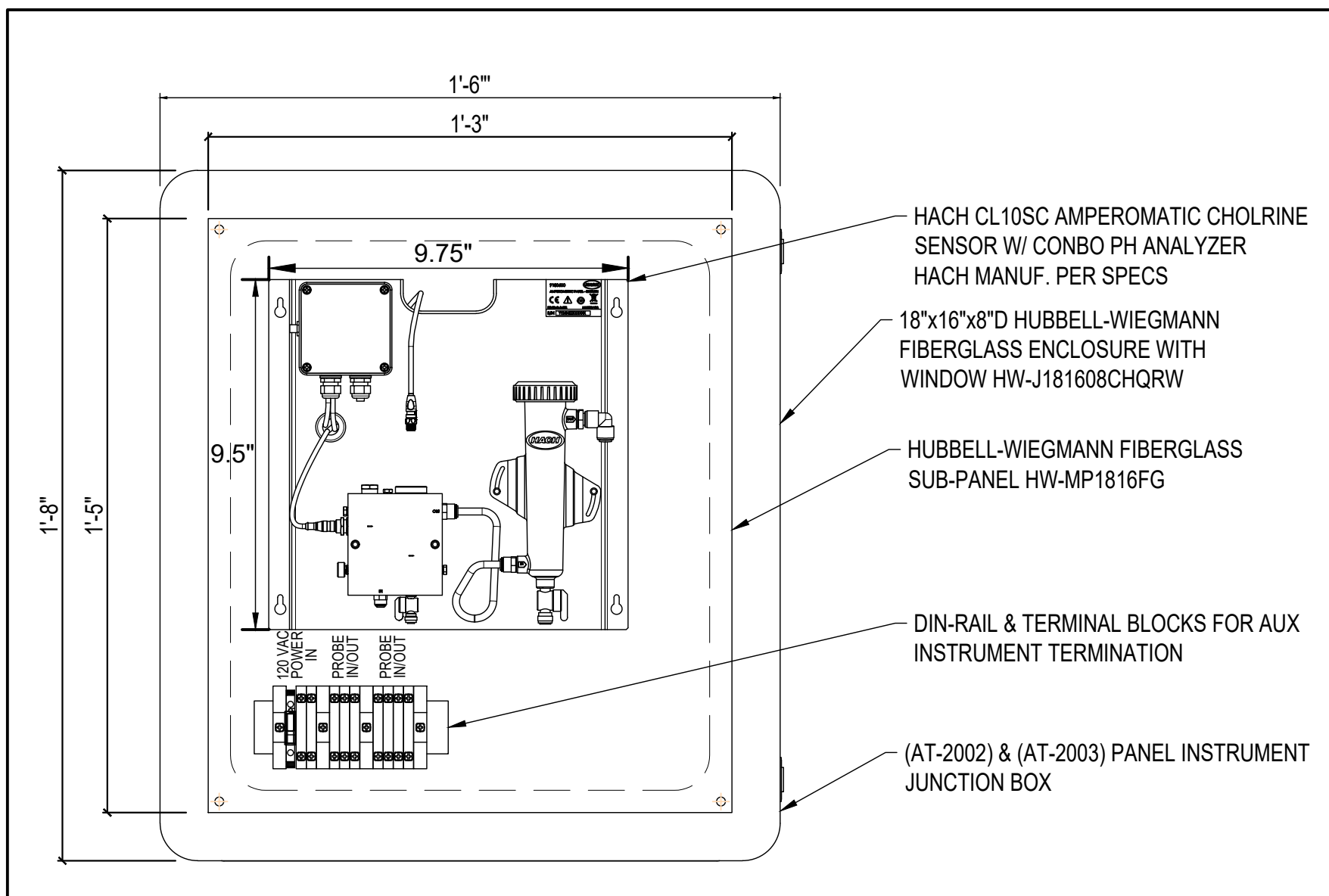
NTS

G

POLE MOUNTED LIGHT

NTS

H



100,000 HOUR LED, 105W, IES TYPE IV DOUBLE MAST DOWNLIGHT, BRONZE, 120-277V PER RAB LIGHTING #ALED4T105. (LESS PHOTO CELL)

5" SQ. 7 GAGE STEEL POLE, 25' OVERALL HEIGHT RAB LIGHTING MODEL #PS5-07-25-D2

3"x5" REINFORCED HAND HOLE WITH COVER 12" ABOVE BASE COVER

EXPOSED FOUNDATION SHALL HAVE A SMOOTH TROWEL FINISH AND PAINTED TO MATCH SCREEN WALL COLOR

SEE STRUCTURAL PLANS FOR FOOTING DETAILS

INSTALL SCHEDULE 40 PVC CONDUIT W/ 18" FACTORY BENDS INTO CONCRETE BASE. SIZE AS SHOWN ON PLANS

GROUND LUG BEHIND HAND HOLE
METAL BASE COVER

COIL 20' OF #4 SOLID COPPER BOND. RUN BOND THROUGH FOUNDATION TO HAND HOLE GROUNDING LUG.

NOTE:
5" SQUARE STEEL POLE SAND BLAST POLE TO A NEAR DARK BRONZE AND TREAT WITH AN IRON PHOSPHATE SOLUTION. APPLY TIGER DRYLAC SERIES 49 POLYESTER POWDER COAT ELECTROSTATICALLY AND CURE TO A MINIMUM 2.5 MIL. THICKNESS, OR APPROVED EQUAL. COLOR TO MATCH LIGHT FIXTURE. CEM TEC POLE OR APPROVED EQUAL. SEE STRUCTURAL PLANS FOR FOOTING DESIGN. POLE SHALL BE DESIGNED TO WITHSTAND 100MPH WIND LOAD WITH EXPOSURE 'C'.

30% CONCEPTUAL DESIGN PLANS



CHINO VALLEY WRF
TOWN OF CHINO VALLEY
WRF IMPROVEMENTS

ELECTRICAL
DETAILS III

PREPARED BY
BASHAR ISHAQ
PROJECT ENGINEER
R.C.E. NO. 24090
EXP. 09/30/2023
DRAWN
R.S.
DESIGNED
R.S.
CHECKED
B.I.

SCALE
AS SHOWN
DATE
MAY 2023

NO. BY DATE REVISIONS

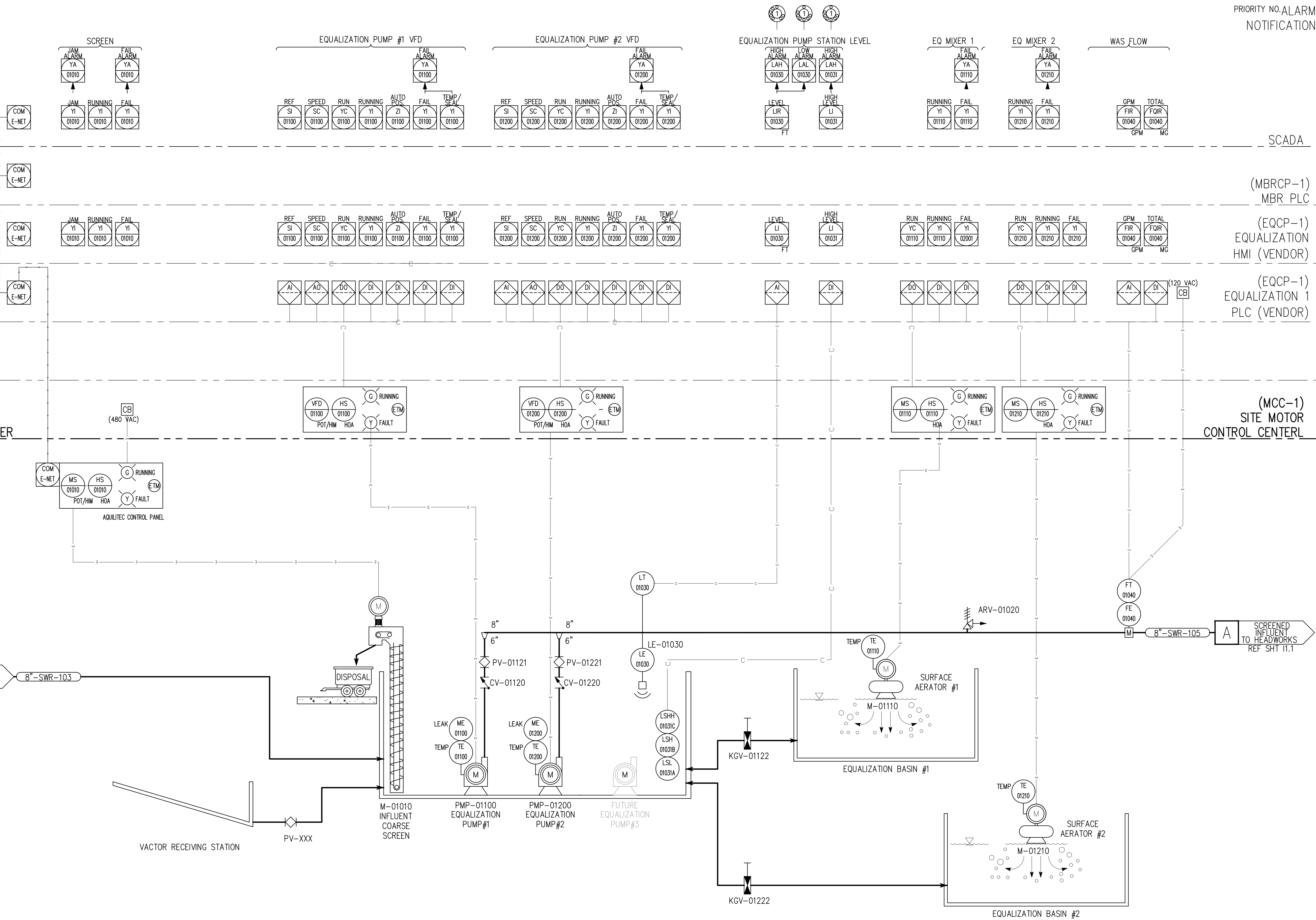
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SHEET

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JOB NO. C104

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SCADA

SCADA



COM
E-NET

(480 VAC)

(MCC-1)
SITE MOTOR
CONTROL CENTER

AQUILITEC CONTROL PANEL

SCREENED
INFLUENT
HEADWORKS
REF SHT I1.1

VACTOR RECEIVING STATION

KGV-01222

EQUALIZATION BASIN #2

30% CONCEPTUAL DESIGN PLANS

P&ID - EQUALIZATION BASINS

TOWN OF CHINO VALLEY
WRF IMPROVEMENTS



PACE
Advanced Water Engineering

7520 Newhope Street, Suite 200 | Fountain Valley, CA 92708
P: (714) 481-7300 | www.pacewater.com

SHEET

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JOB NO. C104

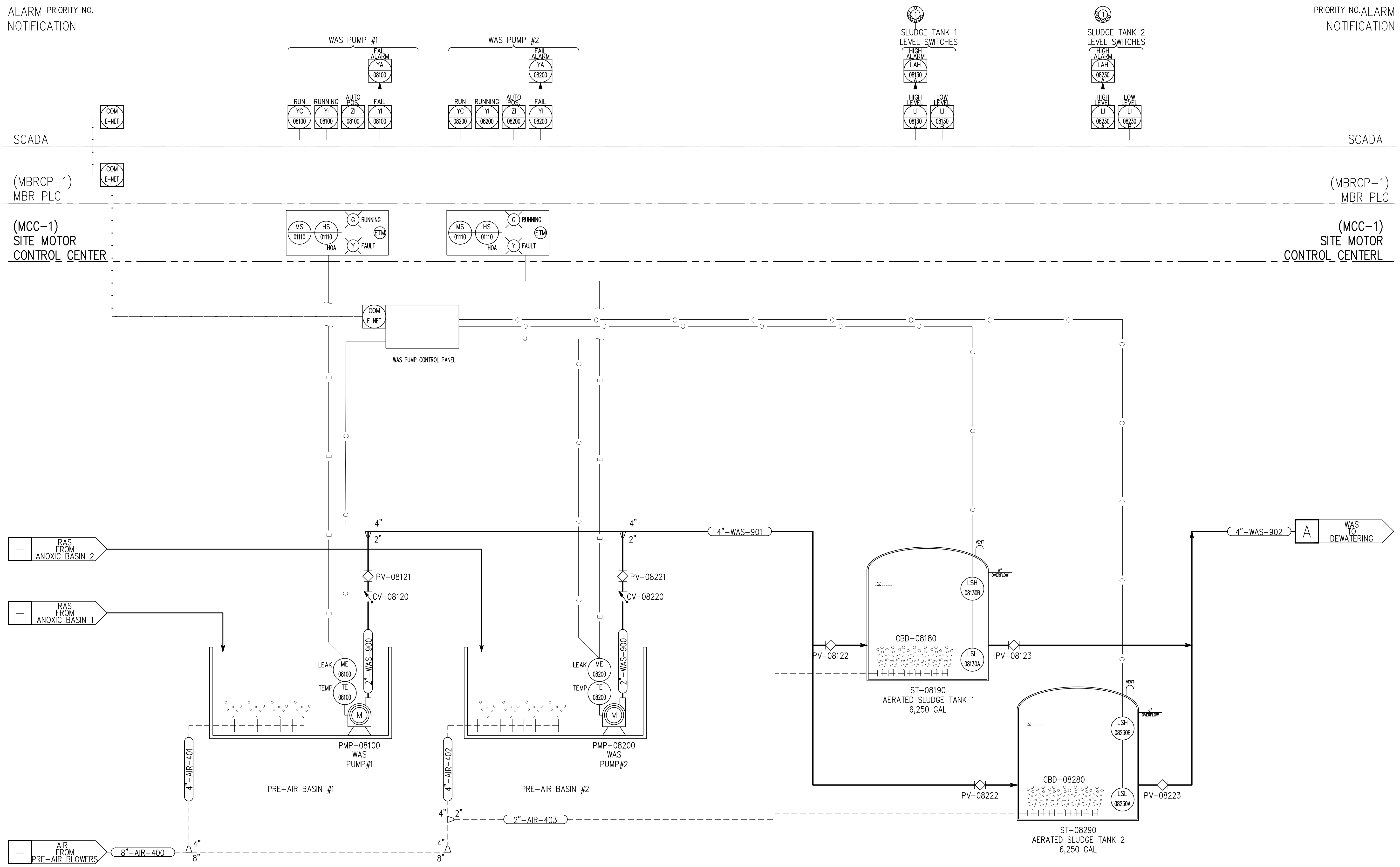
TITLE

JOB

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P: (714) 481-7300 | www.pacewater.com

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5 of 686



ALARM PRIORITY NO
NOTIFICATION

PRIORITY NO. ALARM
NOTIFICATION

SCADA

SCADA

(MBRCP-1)
MBR PLC(MBRCP-1)
MBR PLC

(MCC-1)
SITE MOTOR
CONTROL CENTER

(MCC-1)
SITE MOTOR
CONTROL CENTER

PREPARED BY TAYLOR B. PIERCE											
PROJECT ENGINEER 70097											
R.C.E. NO.											
EXP. 12/31/2025											
DRAWN		SCALE									
BY: JT_DS		AS SHOWN									
TP		DESIGNED									
CHECKED	DATE					NO.	BY	DATE	REVISIONS	DATE	APP.
JM	SEP 2024										

THESE DRAWINGS ARE THE PROPERTY OF P.A.C.F. AND SHALL NOT BE REPRODUCED IN ANY

JOB	TOWN OF CHINO VALLEY WRF IMPROVEMENTS	TITLE	P&ID - HEADWORKS
CHINO VALLEY		AZ	

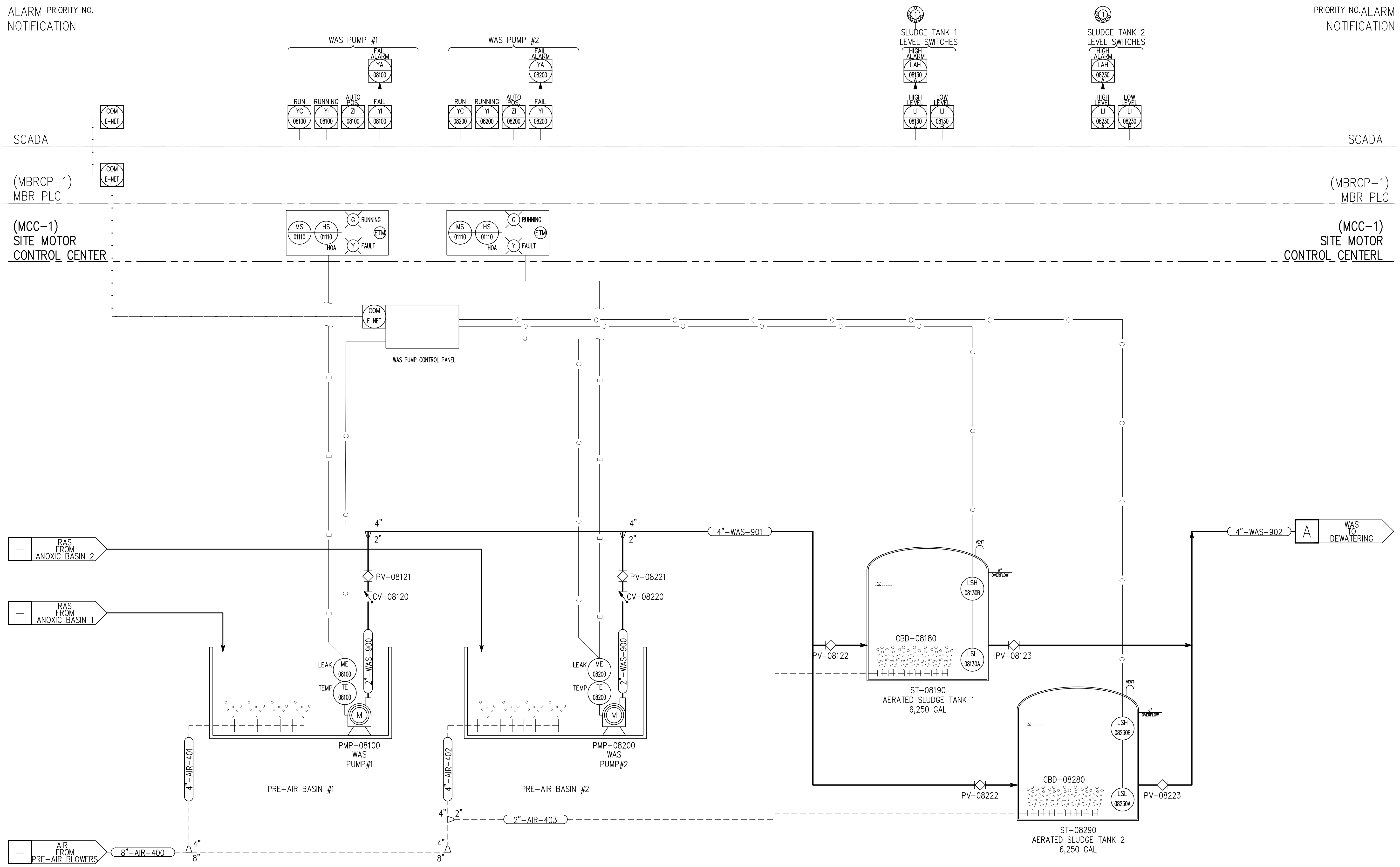
**PACE**
Advanced Water Engineering
17520 Newhope Street, Suite 200 | Fountain Valley, CA 92708
P: (714) 481-7300 | www.pacewater.com

SHEET
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JOB NO. C104

DATE	REVISIONS	DATE	BY	NO.	FILE	SHEET
SEP 2024		JUN				

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ALARM PRIORITY NO
NOTIFICATION

PRIORITY NO. ALARM
NOTIFICATION

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SCADA

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MBR PLC

(MCC-1)
SITE MOTOR
CONTROL CENTER

(MCC-1)
SITE MOTOR
CONTROL CENTER

 PACE Advanced Water Engineering 17520 Newhops Street, Suite 200 Fountain Valley, CA 92708 P: (714) 481-7300 www.pacewater.com	JOB TOWN OF CHINO VALLEY WRF IMPROVEMENTS CHINO VALLEY AZ	TITLE P&ID - HEADWORKS	PREPARED BY TAYLOR B. PIERCE	NO BY DATE	REVISIONS	DATE APP.
			PROJECT ENGINEER 7/08/97			
			R.G.E. NO. 12/31/2025	NO BY DATE	REVISIONS	DATE APP.
			EXP. 12/31/2025			
			DRAWN MT, JT, DS			
			DESIGNED AS SHOWN			
			CHECKED JM			
			DATE SEP 2024			
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ALARM PRIORITY NO.
NOTIFICATION

PRIORITY NO. ALARM
NOTIFICATION

SCADA

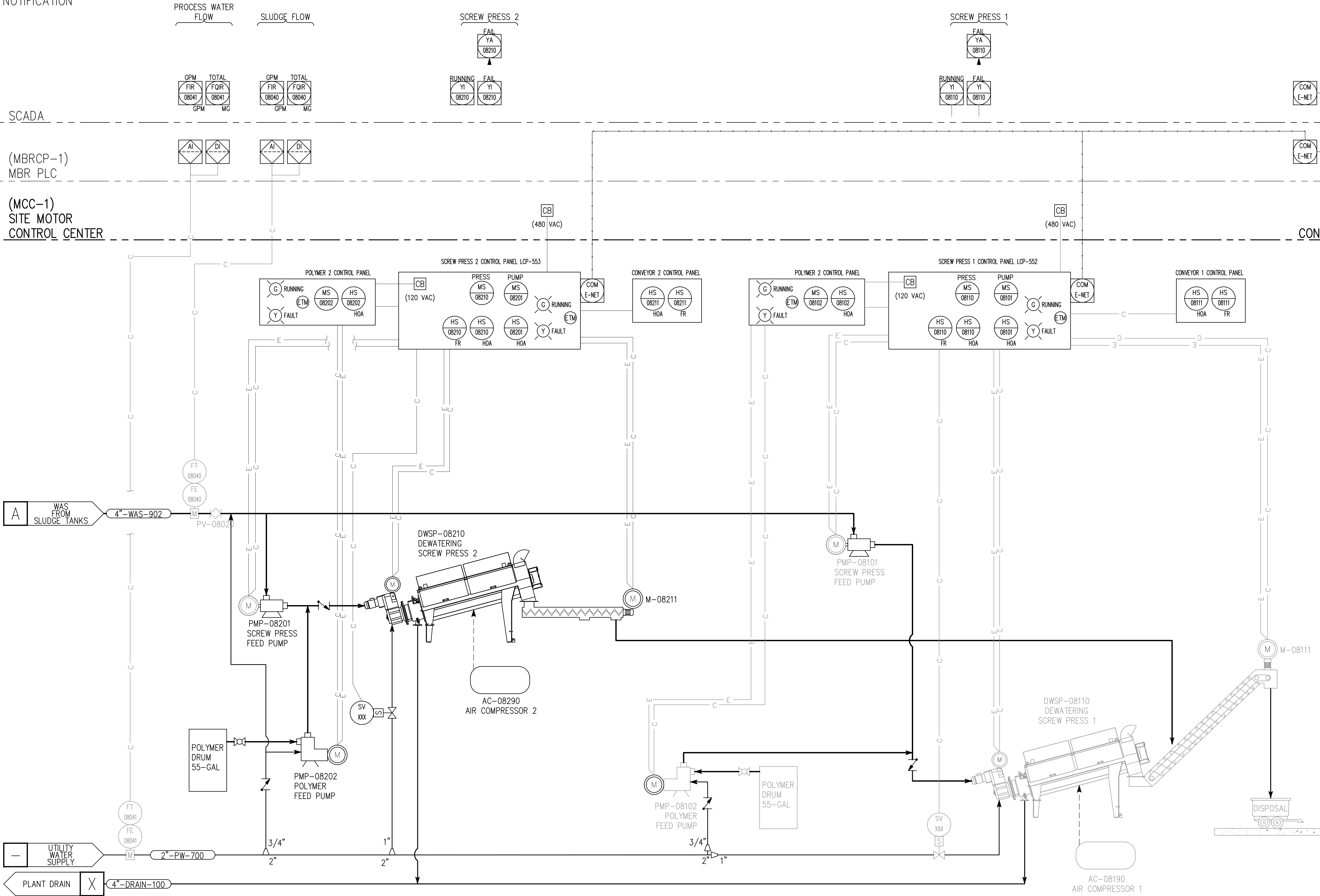
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MBR PLC

(MBRCP-1)
MBR PLC

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SITE MOTOR
CONTROL CENTER

(MCC-1)
SITE MOTOR
CONTROL CENTER



30% CONCEPTUAL DESIGN PLANS



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P: (714) 481-7300 | www.pacewater.com

TOWN OF CHINO VALLEY
WRF IMPROVEMENTS

CHINO VALLEY
AZ

P&ID - SLUDGE STORAGE

PREPARED BY
TAYLOR B. PIERCE
PROJECT ENGINEER
R.C.E. NO. 70087
EXP. 12/31/2025
SCALE
DRAWN
NT, JT, DS
AS SHOWN
DESIGNED
TP
CHECKED
JM
DATE
SEP 2024

TITLE

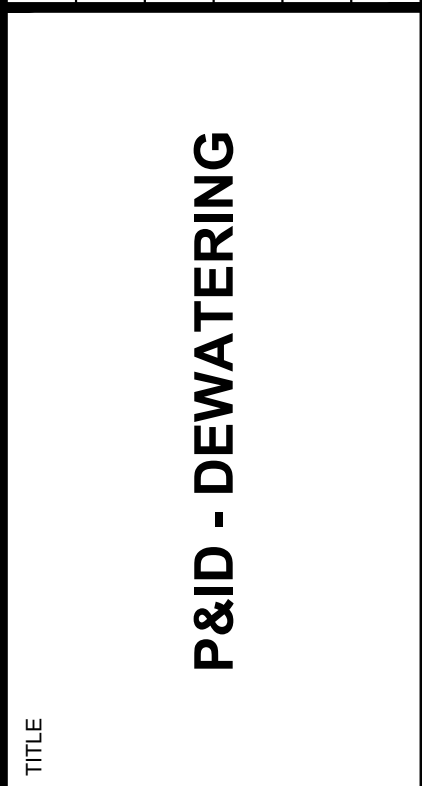
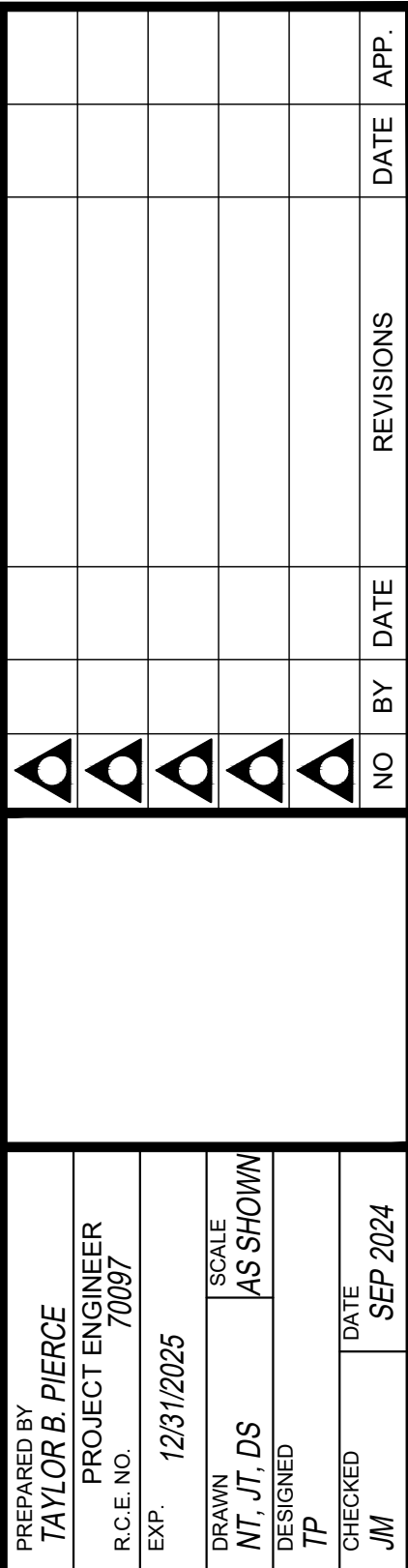
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JOB NO. C104

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**CONSTRUCTION MANAGER AT RISK AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY**

THIS PROFESSIONAL SERVICES AGREEMENT (this “Agreement”) is entered into as of April 22, 2025, between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and Felix Construction Company, an Arizona corporation (the “Contractor”).

RECITALS

A. The Town issued a Request for Qualifications, “RFQ for Construction Manager at Risk (CMAR) for Construction Services for the Water Reclamation Facility Improvements Project” (the “RFQ”), a copy of which is on file in the Town’s Finance Office and incorporated herein by reference, seeking statements of qualifications from vendors for professional engineering services that include design, permitting, bid management and procurement, construction support, evaluation, and grant writing (the “Services”).

B. The Contractor responded to the RFQ by submitting a statement of qualifications (the “SOQ”), attached hereto as Exhibit A and incorporated herein by reference.

C. The Town desires to enter into an agreement with the Contractor for the Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until November 30, 2025, unless terminated as otherwise provided in this Agreement.

2. Scope of Work. The Contractor shall provide the Services set forth in the Scope of Work attached hereto as Exhibit B and incorporated herein by reference. The Contractor shall (A) provide the Services required by this Agreement, (B) be responsible for all means, methods, techniques, sequences, and proceedings associated with the Services, and (C) be responsible for the acts and omissions of its employees, agents, and other persons performing any of the Services under a contract with the Contractor. Prior to commencing the Services, the Contractor shall tour the Project site, become familiar with existing conditions, including utilities, and notify the Town of any constraints associated with the Project site.

3. Compensation. The Town shall pay the Contractor an amount not to exceed \$137,180.79 for the Services at the rates set forth in the Fee Proposal, attached hereto as part of Exhibit B and incorporated herein by reference.

4. Payments. The Town shall pay the Contractor monthly, based on work performed and completed to date, and upon submission and approval of invoices. All invoices shall document and itemize all work completed to date. Each invoice statement shall include a record of time expended and work performed in sufficient detail to justify payment.

5. Safety Plan. The Contractor shall provide the Services in accordance with a safety plan that is compliant with Occupational Safety and Health Administration (“OSHA”), American National Standards Institute, and National Institute for Occupational Safety and Health standards. If, in the Contractor’s sole determination, the Services to be provided do not require a safety plan, the Contractor shall notify the Town, in writing, describing the reasons a safety plan is unnecessary. The Town reserves the right to request a safety plan following such notification.

6. Documents. All documents, including any intellectual property rights thereto, prepared and submitted to the Town pursuant to this Agreement shall be the property of the Town. The Town may use such documents for other purposes without further compensation to the Contractor; however, any reuse without written verification or adaptation by the Contractor for the specific purpose intended will be at the Town’s sole risk and without liability or legal exposure to the Contractor.

7. Contractor Personnel. The Contractor shall provide experienced personnel, capable of and devoted to the successful performance of the Services under this Agreement. The Contractor agrees to assign specific individuals to key positions. If deemed qualified, the Contractor is encouraged to hire Town residents to fill vacant positions at all levels. The Contractor agrees that, upon commencement of the Services to be performed under this Agreement, key personnel will not be removed or replaced without prior written notice to the Town. If key personnel are not available to perform the Services for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, the Contractor shall immediately notify the Town of same and shall, subject to the concurrence of the Town, replace such personnel with personnel possessing substantially equal ability and qualifications.

8. Inspection; Acceptance. All work shall be subject to inspection and acceptance by the Town at reasonable times during the Contractor’s performance. The Contractor shall provide and maintain a self-inspection system that is acceptable to the Town.

9. Licenses. The Contractor shall maintain in current status all federal, state, and local licenses and permits required for the operation of the business conducted by the Contractor. The Town has no obligation to provide the Contractor, its employees, or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement.

10. Materials; Equipment. The Contractor shall provide, pay for, and insure under the requisite laws and regulations all labor, materials, equipment, tools, transportation, and other facilities and services necessary for the proper execution and completion of the Services.

11. Performance Warranty. In addition to any specific obligations set forth in Exhibit B, the Contractor warrants that the Services rendered will conform to the requirements of

this Agreement and shall be carried out with the care and skill ordinarily used by members of the same profession practicing under similar circumstances at the same time and in the same locality.

12. Indemnification. To the fullest extent permitted by law, the Contractor shall indemnify and hold harmless the Town and each council member, officer, employee, or agent thereof (the Town and any such person being herein called an “Indemnified Party”), for, from, and against any and all losses, claims, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys’ fees, court costs, and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever (“Claims”) to the extent that such Claims (or actions in respect thereof) are caused by the negligent acts, recklessness, or intentional misconduct of the Contractor, its officers, employees, agents, or any tier of subcontractor in connection with the Contractor’s work or services in the performance of this Agreement. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

13. Insurance.

13.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of the Contractor, the Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Arizona pursuant to ARIZ. REV. STAT. § 20-206, as amended, with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town’s option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, or by approving or expressing satisfaction with insurance policies and forms pursuant to the provisions of this Agreement, the Town does not represent that coverage and limits will be adequate to protect the Contractor. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve the Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage, except Workers’ Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials, and employees as Additional Named Insured as specified under the respective coverage sections of this Agreement.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms

of this Agreement are satisfactorily performed, completed, and formally accepted by the Town unless specified otherwise in this Agreement.

E. Primary Insurance. The Contractor's insurance shall be primary and non-contributory insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Claims Made. If any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three years past completion and acceptance of the Services. Such continuing coverage shall be evidenced by submission of annual Certificates of Insurance and necessary endorsements citing applicable coverage is in force and contains the provisions as required herein for the three-year period.

G. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers, and employees for any claims arising out of the work or services of the Contractor. The Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

H. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the Town. The Contractor shall be solely responsible for any such deductible or self-insured retention amount.

I. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, the Contractor shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the Town and the Contractor. The Contractor shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

J. Evidence of Insurance. Prior to commencing any work or services under this Agreement, the Contractor will provide the Town with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by the Contractor's insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The Town shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage. Still, such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life

of this Agreement, it shall be the Contractor's responsibility to forward renewal certificates and declaration page(s) to the Town 30 days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing this Agreement. A \$25.00 administrative fee shall be assessed for all certificates or declarations received without the appropriate reference to this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing this Agreement will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

(1) The Town, its agents, representatives, officers, directors, officials, and employees are Additional Insureds as follows:

(a) Commercial General Liability – Under Insurance Services Office, Inc., (“ISO”) Form CG 20 10 04 13 or equivalent.

(b) Auto Liability – Under ISO Form CA 20 48 or equivalent.

(c) Excess Liability – Follow Form to underlying insurance.

(2) The Contractor's insurance shall be primary insurance with respect to performance of this Agreement.

(3) All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against the Town, its agents, representatives, officers, officials, and employees for any claims arising out of work or services performed by the Contractor under this Agreement.

ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) is used, the phrases in the cancellation provision “endeavor to” and “but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives” shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

K. Endorsements. The Contractor shall provide the Town with the necessary endorsements to ensure the Town is provided the insurance coverage set forth in this Section 13.

13.2 Required Insurance Coverage.

A. Commercial General Liability. The Contractor shall maintain “occurrence” form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-

completed operations, personal injury, and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured's clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, officials, and employees shall be named as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. The Contractor shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on the Contractor's owned, hired, and non-owned vehicles assigned to or used in the performance of the Contractor's work or services under this Agreement. Coverage will be at least as broad as ISO coverage code "1" "any auto" policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials, and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Contractor engages in any professional services or work in any way related to performing the work under this Agreement, the Contractor shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Contractor, or anyone employed by the Contractor, or anyone for whose negligent acts, mistakes, errors, and omissions the Contractor is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate.

D. Workers' Compensation Insurance. If the Contractor employs anyone who is required by law to be covered by workers' compensation insurance, the Contractor shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over the Contractor's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

13.3 Cancellation and Expiration Notice. The Contractor shall provide at least 30 days prior written notice to the Town before insurance required herein expires, is canceled, or is materially changed.

14. Termination; Cancellation. The Town may, by written notice to the Contractor as set forth in this Section, terminate this Agreement in whole or in part.

14.1 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause after receipt by the Contractor of written

notice by the Town. Upon termination for convenience, the Contractor shall be paid for all undisputed Services performed to the termination date.

14.2 For Cause. If either party fails to perform any obligation pursuant to this Agreement and such party fails to cure its nonperformance within 30 days after notice of nonperformance is given by the non-defaulting party, such party will be in default. In the event of such default, the non-defaulting party may terminate this Agreement immediately for cause and will have all remedies available to it at law or in equity, including, without limitation, the remedy of specific performance. If the nature of the defaulting party's nonperformance is such that it cannot reasonably be cured within 30 days, then the defaulting party will have such additional periods of time as may be reasonably necessary under the circumstances, provided the defaulting party immediately (A) provides written notice to the non-defaulting party and (B) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event shall any such cure period exceed 90 days. In the event of such termination for cause, the Town shall make payment to the Contractor for the undisputed portion of its fee due as of the termination date.

14.3 Due to Work Stoppage. The Town may terminate this Agreement upon 30 days' written notice to the Contractor in the event that the Services are permanently abandoned. If the Contractor abandons the Services without the consent of the Town, the Contractor shall be liable for all actual, incidental, and consequential damages arising from or related to said abandonment, including, but not limited to (A) the difference between the cost of a replacement Contractor to complete the Services and the contract price for the Contractor under this Agreement; and (B) any additional charges, costs, fees or expenses for labor, materials or professional services incurred by the Town as a result of delays caused by abandonment of the Services by the Contractor. The Town shall use its best efforts to replace the Contractor within a reasonable time.

14.4 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of the Town or any of its departments or agencies is, at any time while this Agreement or any extension of this Agreement is in effect, an employee of any other party to this Agreement in any capacity or a Contractor to any other party of this Agreement with respect to the subject matter of this Agreement.

14.5 Gratuities. The Town may, by written notice to the Contractor, cancel this Agreement if it is found by the Town that gratuities, in the form of economic opportunity, future employment, entertainment, gifts, or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer, agent or employee of the Town for the purpose of securing this Agreement. In the event this Agreement is canceled by the Town pursuant to this provision, the Town shall be entitled, in addition to any other rights and remedies, to recover and withhold from the Contractor an amount equal to 150% of the gratuity.

14.6 Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town's then-current fiscal year. The Town's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered

legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose, and the Town shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep the Contractor informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. The Contractor hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town's termination of this Agreement pursuant to this Section.

14.7 Obligations Upon Receipt of Termination Notice. Upon receipt of a notice of termination as set forth above, the Contractor shall (A) immediately discontinue all Services affected (unless the notice directs otherwise), and (B) deliver to the Town copies of all data, reports, calculations, drawings, specifications, and estimates entirely or partially completed, together with all unused materials supplied by the Town, related to the Services including any completed divisible part of the Services which can be deemed to stand alone (the completed divisible parts of the Services will be determined by both parties at the time of termination). Such termination shall not relieve the Contractor of liability for errors and omissions. Any use of incomplete documents for the Services or for any other project without the specific written authorization by the Contractor will be without liability or legal exposure to the Contractor. The Contractor shall appraise the work it has completed and submit the appraisal to the Town for evaluation.

15. Suspension of Work.

15.1 Order to Suspend. The Town may, for its convenience, order the Contractor, in writing, to suspend all or any part of the Services for such period of time as it may determine to be appropriate.

15.2 Adjustment to Contract Sum. If the performance of all or any part of the Services is, for any unreasonable period of time, suspended or delayed by an act of the Town in the administration of this Agreement, or by its failure to act within the time specified in this Agreement (or if no time is specified, within a reasonable time), an adjustment shall be made for any increase in the cost of performance of this Agreement necessarily caused by such unreasonable suspension or modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension or delay (A) to the extent that performance was suspended or delayed for any other cause, including the fault or negligence of the Contractor, or (B) for which a change order is executed.

16. Miscellaneous.

16.1 Independent Contractor. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the

other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the Town. The Contractor, its employees, and subcontractors are not entitled to workers' compensation benefits from the Town. The Town does not have the authority to supervise or control the actual work of the Contractor, its employees, or subcontractors. The Contractor, and not the Town, shall determine the time of its performance of the services provided under this Agreement so long as the Contractor meets the requirements of its agreed Scope of Work as set forth in Section 2 and in Exhibit B. The Contractor is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. The Town and the Contractor do not intend to nor will they combine business operations under this Agreement.

16.2 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona, and suit pertaining to this Agreement may be brought only in courts in Yavapai County, Arizona.

16.3 Laws and Regulations. The Contractor shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Contractor is responsible abides by, and remains in compliance with, all rules, regulations, ordinances, statutes, or laws affecting the Services, including, but not limited to, (A) existing and future Town and County ordinances and regulations, (B) existing and future State and Federal laws, and (C) existing and future OSHA standards.

16.4 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the Town and the Contractor.

16.5 Provisions Required by Law. Each and every provision of law and any clause required by law to be in this Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, this Agreement will promptly be physically amended to make such insertion or correction.

16.6 Severability. The provisions of this Agreement are severable to the extent that any provision or application held to be invalid by a Court of competent jurisdiction shall not affect any other provision or application of this Agreement that may remain in effect without the invalid provision or application.

16.7 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements, or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting this

Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting and reviewing of, and entry into, this Agreement.

16.8 Assignment; Delegation. No right or interest in this Agreement shall be assigned or delegated by the Contractor without prior, written permission of the Town, signed by the Town Manager. Any attempted assignment or delegation by the Contractor in violation of this provision shall be a breach of this Agreement by the Contractor.

16.9 Subcontracts. No subcontract shall be entered into by the Contractor with any other party to furnish any of the material or services specified herein without the prior written approval of the Town. The Contractor is responsible for performance under this Agreement whether or not subcontractors are used. Failure to pay subcontractors in a timely manner pursuant to any subcontract shall be a material breach of this Agreement by the Contractor.

16.10 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of and payment for Services, shall not release the Contractor from any responsibilities or obligations imposed by this Agreement or by law, and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

16.11 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

16.12 Liens. All materials or services shall be free of all liens and, if the Town requests, a formal release of all liens shall be delivered to the Town.

16.13 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Contractor any amounts the Contractor owes to the Town for damages that have been reduced to a judgment resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset from any money due to the Contractor any amounts the Contractor owes to the Town for delinquent fees, transaction privilege use taxes, and property taxes, including any interest or penalties.

16.14 Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, or (C) given to a recognized and reputable overnight delivery service, to the address set forth below, or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection:

If to the Town: Town of Chino Valley
 202 North State Route 89
 Chino Valley, Arizona 86323
 Attn: Cindy Blackmore, Town Manager

With copy to: GUST ROSENFELD P.L.C.
 One East Washington Street, Suite 1600
 Phoenix, Arizona 85004-2553
 Attn: Andrew J. McGuire

If to Contractor: Felix Construcion Company
 2530 S. 52nd Ave.
 Phoenix, AZ 85043
 Attn: David Giannetto, C.E.O.

Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage, or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

16.15 Confidentiality of Records. The Contractor shall establish and maintain procedures and controls that are acceptable to the Town for the purpose of ensuring that information contained in its records or obtained from the Town or from others in carrying out its obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform the Contractor's duties under this Agreement. Persons requesting such information should be referred to the Town. The Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Contractor as needed for the performance of duties under this Agreement.

16.16 Information Technology.

A. Limited Access. If necessary for the fulfillment of this Agreement, the Town may provide the Contractor with non-exclusive, limited access to the Town's information technology infrastructure. The Contractor understands and agrees to abide by all Town policies, standards, regulations, and restrictions regarding access and usage of the

Town's information and communication technology resources. The Contractor shall enforce all such policies, standards, regulations, and restrictions with all the Contractor's employees, agents, or any tier of subcontractor granted access in the performance of this Agreement and shall be granted and authorized only such access as may be necessary for the purpose of fulfilling the requirements of this Agreement.

B. Permitted Access. The Contractor's employees, agents, and subcontractors must receive prior, written approval from the Town before being granted access to the Town's information and communication technology resources and data. The Town, in its sole discretion, shall determine accessibility and limitations thereto. The Contractor agrees that the requirements of this Section shall be incorporated into all subcontractor/subContractor agreements entered into by the Contractor. It is further agreed that a violation of this Section shall be deemed to cause irreparable harm that justifies injunctive relief in court. Notwithstanding the provisions in Section 14, a violation of this Section may result in immediate termination of this Agreement without notice.

C. Data Confidentiality. All Town data and technical information, regardless of form, including originals, images, and reproductions, prepared by, obtained by, or transmitted to the Contractor in connection with this Agreement, are confidential, proprietary information owned by the Town. Except as specifically provided in this Agreement, the Contractor shall not, without the prior, written consent of the Town Manager or authorized designee, (1) disclose data generated in the performance of the Services to any third party, or (2) use Town data and information.

D. Data Security. Personal identifying information, financial account information, or restricted Town information, whether in electronic format or hard copy, must be secured and protected at all times to avoid unauthorized access. At a minimum, the Contractor must encrypt and/or password-protect electronic files. This includes data saved to laptop computers, computerized devices, or removable storage devices. When Town information, regardless of its format, is no longer required by the Contractor to execute the work contracted by the Town, the information must be redacted or destroyed through appropriate and secure methods to ensure the information cannot be viewed, accessed, or reconstructed.

E. Compromised Security. In the event that data collected or obtained by the Contractor in connection with this Agreement is believed to have been compromised, the Contractor shall immediately notify the Town Manager or authorized Town designee. The Contractor agrees to reimburse the Town for any costs incurred by the Town to investigate potential breaches of this data by the Contractor and, where applicable, the cost of notifying and/or assisting individuals who may be impacted by the breach.

F. Disengagement. In the event this Agreement is terminated by either party, the Contractor agrees to confer back to the Town all of its data, in usable and normalized format, within 30 days of notice of termination. There shall be no charge for the return of Town data to the Town.

G. Survival. The obligations of the Contractor under this Section 16.16 shall survive the termination of this Agreement.

16.17 Records and Audit Rights. To ensure that the Contractor and its subcontractors are complying with the warranty under subsection 16.18, the Contractor's and its subcontractor's books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any of the Contractor's and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on the Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 16.18. To the extent necessary for the Town to audit Records as set forth in this subsection, the Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to the Contractor pursuant to this Agreement. The Contractor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this subsection. The Town shall give the Contractor or its subcontractors reasonable advance notice of intended audits. The Contractor shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

16.18 E-Verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-Verify requirements under ARIZ. REV. STAT. § 23-214(A). The Contractor's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

16.19 Israel. To the extent applicable under ARIZ. REV. STAT. § 35-393 through § 35-393.03, the parties hereby certify that they are not currently engaged in, and agree to not engage in for the duration of this Agreement, a "boycott" of goods or services from Israel, as that term is defined in ARIZ. REV. STAT. § 35-393.

16.20 Conflicting Terms. In the event of any inconsistency, conflict, or ambiguity among the terms of this Agreement, any amendments to this Agreement, the Scope of Work, any Town-approved Purchase Order, the Fee Proposal, the RFQ, and the Contractor's SOQ, the documents shall govern in that order.

16.21 Time is of the Essence. The timely completion of the Services is of critical importance to the economic circumstances of the Town.

16.22 Meaning of Terms. References made in the singular shall include the plural, and the masculine shall include the feminine or the neuter.

16.23 Non-Exclusive Contract. This Agreement is entered into with the understanding and agreement that it is for the sole convenience of the Town. The Town reserves the right to obtain like goods and services from another source when necessary.

16.24 Forced Labor of Ethnic Uyghurs. To the extent applicable under ARIZ. REV. STAT. § 35-394, the Contractor warrants and certifies that it does not currently, and agrees that it will not for the duration of this Agreement use the forced labor, any goods or services produced by the forced labor, or 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 that it is not in compliance with this paragraph, the Contractor shall notify the Town of the noncompliance within five business days of becoming aware of it. If the Contractor fails to provide a written certification that it has remedied the noncompliance within 180 days after that, this Agreement shall terminate unless the termination date of this Agreement occurs before the end of the remedy, in which case this Agreement terminates on its termination date.

16.25 Excluded Terms. Terms and conditions not fully outlined in this Agreement, provided to the Town only by reference to one or more websites, or provided to the Town only as “clickwrap” or “clickthrough” terms when using or attempting to use a site or service, are not binding upon the Town.

16.26 Licensing and Registration. The Contractor warrants that it is registered with the Arizona Corporation Commission to do business in Arizona and, upon request, will provide proof thereof to the Town.

16.27 Counterparts. This Agreement may be executed simultaneously or in counterparts, each of which constitutes an original, but all of which together constitute one and the same agreement.

16.28 Cooperative Purchasing. Specific eligible political subdivisions and nonprofit educational or public health institutions (“Eligible Procurement Unit(s)”) are permitted to utilize procurement agreements developed by the Town, at their discretion and with the agreement of the awarded Contractor. The Contractor may, at its sole discretion, accept orders from Eligible Procurement Unit(s) for the purchase of the Services at the prices and under the terms and conditions of this Agreement, in such quantities and configurations as may be agreed upon between the parties. All cooperative procurements under this Agreement shall be transacted solely between the requesting Eligible Procurement Unit and the Contractor. Payment for such purchases will be the sole responsibility of the Eligible Procurement Unit. The exercise of any rights, responsibilities, or remedies by the Eligible Procurement Unit shall be the exclusive obligation of such unit. The Town assumes no responsibility for payment, performance, or any liability or obligation associated with any cooperative procurement under this Agreement. The Town shall not be responsible for any disputes arising out of transactions made by others.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

“Town”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

“Contractor”

FELIX CONSTRUCTION COMPANY
an Arizona corporation

Tom Armstrong, Mayor

David Giannetto, C.E.O.

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

EXHIBIT A
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Contractor's SOQ]

See following pages.



Town of Chino Valley
Request for Qualifications

SOQ FOR CONSTRUCTION MANAGER AT RISK FOR THE CHINO VALLEY WATER RECLAMATION FACILITY

Solicitation Number: PW 25-049

January 28, 2025
@ 2:00 PM

ROC:
070935 A
083020 B-01
172036 C-11

A. GENERAL INFORMATION

(1) COVER LETTER

Town of Chino Valley
202 North State Route 89
Chino Valley, AZ 86323

RE: CHINO VALLEY WATER RECLAMATION FACILITY IMPROVEMENTS PROJECT

Dear Selection Committee:

This is truly an exciting time for the Town of Chino Valley (Town). This project represents a pivotal moment for the Town, as the facility reaches and exceeds capacity, and we are eager to bring our expertise and dedication to support this critical infrastructure upgrade. During our recent site walk, we were deeply impressed by the pride and care that the Town, its operators, and staff have invested in maintaining this facility. It's rare to see such a well-maintained and cared-for facility—truly a testament to the Town's commitment to excellence. We were particularly moved by the evident dedication of the Lead Operator Jesse Holyfield, whose passion for this facility mirrors our own core value of "Cares". This alignment strengthens our confidence in a successful partnership as we move forward together.

At Felix Construction, we take immense pride in building meaningful relationships with our clients, especially those embarking on projects like this for the first time or after long intervals. We understand the importance of guiding our partners through the complexities of such undertakings with care and expertise. As a company that values personal touch over volume, we prioritize collaboration and transparency. Our approach ensures that budgets are realistic and comprehensive from the start, eliminating surprises and delivering on promises. We will focus on maximizing strategic outcomes with creative solutions, including MOPOs and temporary infrastructure when needed.

Felix Construction also brings extensive experience with WIFA-funded projects. We understand the intricacies of this funding and have successfully helped clients meet all requirements while optimizing resources. Whether it's a \$10,000 project or a \$30 million endeavor, we apply the same level of quality, care, and attention to detail, recognizing the importance of every component in delivering clean water to municipalities, communities, and individuals.

Although we've grown over the years, our average project size reflects our commitment to serving communities like Chino Valley. **What We Build Matters**—not just to us, but to the people who rely on these essential services every day. We would be honored to bring our expertise, passion, and collaborative spirit to this project and work alongside you to achieve long-term success.

Thank you for considering Felix Construction as your CMAR Contractor. We look forward to the opportunity to contribute to this exciting and impactful project. Please don't hesitate to reach out if you have any questions or need additional information.

David Giannetto
Principal / CEO



E: davidg@felixconstruction.com
P: 602.625.4811

A. GENERAL INFORMATION

(2) VENDOR IDENTIFICATION INFORMATION

- ▶ **LEGAL ORGANIZATION:** Felix is a for-profit corporation, incorporated in Arizona in 1987.
- ▶ **ADDRESS:** 2350 S. 52nd Avenue, Phoenix, AZ 85043

(3) PRINCIPAL OFFICE

- ▶ **PRINCIPAL & LOCAL OFFICE:** 2350 S. 52nd Avenue, Phoenix, AZ 85043. 100% of the work will be performed locally. Felix has a dedicated team that operates out of Northern Arizona.



(4) ARIZONA PROFESSIONAL LICENSES

License Number	Class	Qualifying Party	Held By
070935	A- General Engineering	Zach Foster	Felix
083020	B-01 General Commercial	Archie Lopez	Felix
172036	C-11 Electrical	Dana Watts	Felix

(5) GENERAL DESCRIPTION OF THE FIRM/TEAM

Felix Construction Company (Felix) is a general engineering contractor (GC) and construction manager (CM) specializing in water and wastewater infrastructure projects. Incorporated in Arizona in 1987, Felix is a for-profit corporation with decades of expertise delivering innovative and cost-effective solutions.

As a CMAR contractor, Felix is dedicated to maximizing value for clients by anticipating challenges and providing timely, practical solutions. Felix fosters collaboration with engineering and operations teams from project inception to completion, ensuring the successful delivery of every project.

(6) TERMINATIONS AND CLAIMS

Neither Felix nor its officers have been subject to contract terminations, claims, or litigation in its 38-year history.

FELIX BENEFITS

- ▶ **WATER & WASTEWATER CONTRACTOR:** With 38 years in the industry, we have held Alternative Delivery contracts with several municipalities and private developers across Arizona. Our portfolio includes new construction, rehabilitations, improvements, expansions, and modifications for public municipalities, private water companies, and developers. We take pride in our rich history and consistent success in this specialized field.
- ▶ **IN-HOUSE ELECTRICAL:** Felix is the only water/wastewater General Contractor in Arizona with an E/I&C Division and a UL508A Panel Shop under one roof. The UL 508A certification gives Felix the ability to design and build much of the electrical gear and control cabinets used in w/ww projects. In addition, Felix's UL 698A certification allows the team to design and fabricate Intrinsically Safe Control Panels that are installed in hazardous locations.
- ▶ **SELF-PERFORM CREWS:** We believe with our unique blend of talented craftspeople we have the capability to self-perform the major scope items on this project. We also, in the spirit of competition, have the ability to provide the Town with multiple bids in these work categories with Felix competing for the work



We vs. Me



Cares



Ownership



Learner



Problem Solver

A. GENERAL INFORMATION

(7) BONDING STATEMENT



EXPERIENCED • TRUSTWORTHY • RELIABLE

535 E. McKellips Rd
Suite 129
Mesa, AZ 85203-2566

Phone: 480-968-0100
Fax: 480-968-4043

www.cbibonding.com

January 16, 2025

Town of Chino Valley
Public Works Department
1982 Voss Drive
Chino Valley, AZ 86323

Re: Felix Construction Company - Request for Qualifications
Project: Construction Manager at Risk (CMAR) - Construction Services for the Chino Valley
Reclamation Facility Improvements Project; Solicitation No. 2024-0029

To Whom It May Concern:

It is my understanding that our client, **Felix Construction Company**, will be submitting a proposal to you on the captioned project. Please be advised that we have done business with this construction firm for many years and during that time have found them to exhibit a high degree of integrity in all of their dealings, thereby attributing to their success as an excellent contractor.

The line of credit available to **Felix Construction Company** stands in excess of \$50,000,000 per job with an aggregate limit of \$250,000,000, which has been set to meet their day-to-day needs. Should you require performance and payment bonds be provided to you, please be advised that we know of no reason we would not be in a position to issue such bonds. Of course, this is conditioned upon normal underwriting, i.e., review of contract documents, bond forms and project financing. We assume no liability to third parties or to you if for any reason we do not execute said bonds.

Felix Construction Company is a highly valued client of CBI Bonding, Inc. and Travelers Casualty and Surety Company of America, an A++ Rated company with a Treasury Listing of \$ \$224,944,000. **Felix Construction Company** has an excellent relationship with their surety company. We highly recommend them to you.

Should you have any questions or require further information on this client, please do not hesitate to contact me.

Regards,

A handwritten signature in black ink, appearing to read 'Greg P. Griffith', is written over a light blue horizontal line.

Gregory P. Griffith, Attorney-in-Fact
TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

GPG:slb



August 6, 2024

RE: Felix Construction
Experience Mod History

This letter will certify the Experience Modification history for Felix Construction:

5/31/24-25	.64
5/31/23-24	.70
5/31/22-23	.81
5/31/21-22	.75

Loss Ratio:

5/31/23-24	.01%
5/31/22 -23	1%
5/31/21-22	6%

Please feel free to call me with any questions you may have.

Sincerely,

Laura Knackstedt

Laura Knackstedt
Client Account Executive
602-393-3423

A. GENERAL INFORMATION

(9) VENDOR INFORMATION FORM

TOWN OF CHINO VALLEY

RFQ 2024-0029

SECTION A

PART 4. VENDOR INFORMATION FORM

By submitting an SOQ, the submitting Vendor certifies that it has reviewed the administrative information and the sample Construction Manager at Risk Agreement's terms and conditions and, if awarded the Agreement, agrees to be bound thereto.

Felix Construction Company

86-0577823

VENDOR SUBMITTING SOQ

FEDERAL TAX ID NUMBER

David Giannetto - Principal & CEO

PRINTED NAME AND TITLE

AUTHORIZED SIGNATURE

2350 S. 52nd Avenue

480.464.0011 / 480.464.0078

ADDRESS

TELEPHONE

FAX #

Phoenix

AZ

85043

1/28/2025

CITY

STATE

ZIP

DATE

www.felixconstruction.com

davidg@felixconstruction.com

WEBSITE

E-MAIL

Arizona Corporation Commission Entity ID is 01938167

ARIZONA CORPORATION COMMISSION FILE NO.

SMALL, MINORITY, DISADVANTAGED AND WOMEN-OWNED BUSINESS ENTERPRISES
(check item(s) as appropriate):

_____ Small Business Enterprise (SBE)

_____ Minority Business Enterprise (MBE)

_____ Disadvantaged Business Enterprise (DBE)

_____ Women-Owned Business Enterprise (WBE)

Has the Vendor been certified by any jurisdiction in Arizona as a minority or woman-owned business enterprise?

If yes, please include details and documentation of the certification.

B. EXPERIENCE AND QUALIFICATIONS

(1) DETAILED EXPERIENCE IN PROVIDING SIMILAR EXPERIENCE - WRF & PROCESSES

Felix Construction Company has 38 years of experience providing specialized construction and improvement services for water and wastewater facilities, including extensive work with municipalities similar in size to the Town of Chino Valley. Felix is a trusted partner in delivering tailored solutions that enhance the performance, capacity, and compliance of water reclamation facilities.

Our expertise includes the construction, and rehabilitation of critical infrastructure components, with a focus on positive client relationships, safe work sites, quality construction, and detailed attention to the specific needs of the project. Felix will partner with Town Leadership, Staff and the Design Engineer to develop a project plan that maximizes construction efficiency, minimizes disruptions to normal plant operations and meets the requirements of WIFA funding.

EXPERIENCE WITH ENTITIES OF COMPARABLE SIZE: Felix has worked extensively with municipalities of varying populations, ensuring that project solutions are appropriately scaled. For example, our work with small and mid-sized communities in Arizona often involves addressing unique challenges. Some of our notable projects include:

- ▶ **KINGMAN DOWNTOWN WWTP:** In 2010, Felix partnered with the City of Kingman to successfully convert an existing lagoon style plant to an MBR process. This project was WIFA funded and one of Kingman's largest CMARs to date. Throughout the project, Felix utilized local subcontractors and laborers to provide vital support to critical aspects of construction.
- ▶ **COTTONWOOD RIVERFRONT WRF:** In 2015, Felix partnered with the City of Cottonwood for the construction of a new conventional treatment plant. This project was WIFA funded and involved several key local subcontractors.
- ▶ **CLARKDALE WWTP:** In 2012, The Town of Clarkdale hired Felix to dismantle an existing conventional treatment plant that they purchased from Pulte Homes, have it rehabilitated and install it at the site of their existing lagoon style plant near the Verde River. This project was WIFA funded and included filling a portion of the existing sludge lagoon to create the necessary space for the relocated plant. Several local vendors and subcontractors were key to the project's success.

Through collaboration, innovation, and an unwavering focus on quality, Felix Construction continues to deliver infrastructure solutions that make a lasting impact for communities across Arizona.

PROVEN TRACK RECORD OF COLLABORATION: Felix is known for its ability to collaborate effectively with municipal staff, engineering teams, and community stakeholders, ensuring seamless communication and project delivery. We take pride in meeting timelines, maintaining budgets, and minimizing disruptions during the course of construction and facility upgrades.

Municipal Water Reclamation Facility Upgrades: Felix has completed comprehensive upgrades to existing water reclamation plants, improving aeration systems, secondary treatment processes, filtration, and disinfection systems. These upgrades have resulted in increased treatment capacity, reduced operational costs, and better effluent quality for compliance with state and federal standards.

What We Build Matters

B. EXPERIENCE AND QUALIFICATIONS

(1) DETAILED EXPERIENCE IN PROVIDING SIMILAR EXPERIENCE - WRF & PROCESSES

KINGMAN DOWNTOWN WWTP / KINGMAN, AZ

- ▶ **EXAMPLE OF EXPERIENCE IN IMPROVING EXISTING WRF & THEIR PROCESSES:** A prime example of Felix's expertise in delivering tailored solutions for municipalities similar in size to the Town is the Kingman Downtown WWTP project. Felix was selected for this 0.62 MGD wastewater treatment plant expansion, which marked the City's first project using the CMAR (Construction Manager at Risk) delivery method.

We specialize in modernizing outdated infrastructure and equipping municipalities with improved systems to better serve their communities. In Kingman's case, the existing 75-year-old lagoon system was upgraded by adding aeration to one lagoon and converting the other into a state-of-the-art MBR (Membrane Bioreactor) system. This transformation significantly enhanced the facility's efficiency and reliability, providing the City with a modern solution to meet its wastewater treatment needs. Additional scope consisted of headworks (flow metering, screening and grit removal), erosion control with soil cement, a 6 barrel box culvert, biofilter for odor control, secondary process, ultraviolet light disinfection, aerated sludge holding and belt filter press dewatering of biosolids, and auxiliary systems such as stand-by generator, plant water system, HVAC for the control building, and a 50 kW photovoltaic power generation system.

- ▶ **CHALLENGES AND OPPORTUNITIES FOR SUCCESS:** In upgrading from 1970s lagoon-style aeration technology, Felix was responsible not only for the construction outlined in the scope but also for the deconstruction, demolition, and decommissioning of the existing aeration ponds, as well as the disposal of the biosolids mass. Before preconstruction began, the City of Kingman had secured an intergovernmental agreement with the Mojave County landfill for the disposal of biosolid materials. Many of the project's schedules, costs, and budgets, incorporated into the final GMP (Guaranteed Maximum Price), relied on access to this disposal site.

However, during the initial weeks of construction, Mojave County notified the City and the Felix team that the biosolids—exceeding 10,000 tons—could not be accepted due to new regulations and criteria recently enacted. This unexpected development had the potential to halt the project entirely, significantly increase costs, and delay the schedule by months.

The Felix team promptly assembled task-force groups, including representatives from the City, County, external experts, and in-house

construction, scheduling, and budget teams, to identify mitigation strategies. Working closely with the design engineers, City, and County agencies, the team explored intergovernmental solutions while simultaneously vetting biosolid handling options and seeking alternative disposal sites.

Ultimately, Felix developed and executed a plan to establish a temporary facility for pressing and compressing the biosolids, coordinating transportation to the nearest disposal facility—168 miles away via US-93. While temporary treatment progressed alongside construction, Felix collaborated with the design and engineering teams, City officials, and facility end users to prioritize project needs, realign phasing, and re-estimate major portions of the scope. **This approach ensured the project's original goals were maintained.**

Through these efforts, Felix recovered nearly three months of lost time and mitigated over \$1 million in potential cost increases, successfully delivering the project on time and within budget. The City of Kingman has since adopted CMAR as their preferred procurement model—a testament to Felix's success on this complex and challenging first waterworks CMAR project for the City.

- ▶ **VENDOR'S ROLE:** CMAR Contractor
- ▶ **DATES OF CONTRACT:** March 2010 - January 2013
- ▶ **CONSTRUCTION COSTS:** \$14.7 M



B. EXPERIENCE AND QUALIFICATIONS

(1) DETAILED EXPERIENCE IN PROVIDING SIMILAR EXPERIENCE - WRF & PROCESSES

COLLABORATION BETWEEN PACE & FELIX CONSTRUCTION

A key process in delivering projects of similar experience is our process of collaboration with all stakeholders including the Engineer.

The partnership between PACE and Felix Construction is a great example of the collaboration we aim to have on every project. As a team, we tackled one of the largest projects ever undertaken in Bouse, Arizona. This was a project of unprecedented scale and significance for the community.

What began as a traditional hard-bid project quickly evolved into a seamless collaboration. The open-book approach fostered a transparent, solution-oriented environment where every challenge became an opportunity to innovate. There was no “contractor versus engineer” mindset. Instead, it was a true partnership, with both teams united in finding practical and efficient solutions for Bouse. The established goal was to provide this community with an efficient water system.

Felix’s Supervisor, Joe Dyer, worked closely with PACE to address constructability challenges in real time. PACE’s willingness to take calls, discuss deviations from drawings, and promptly document solutions ensured the project stayed on schedule without compromising quality.

This mutual respect for each team’s expertise created a highly efficient workflow. PACE’s understanding of construction and appreciation for the crews’ time exemplified the approach that defined the project—one where everyone worked together toward a common goal.



The team discovered they had extra concrete after completing scheduled work. Rather than letting it go to waste, they reached out to the town to see how the material could be used to benefit the community.

In collaboration with PACE, Felix helped pour a concrete slab at a local park, ensuring it was ready just in time for Bouse’s annual Phoenix Children’s Fundraiser. This quick-thinking initiative not only maximized the town’s resources but also supported an event that holds special meaning for the community.

B. EXPERIENCE AND QUALIFICATIONS / (2) SIMILAR PROJECTS



1 BOUSE WATER SYSTEM IMPROVEMENTS / BOUSE, AZ

▶ (A) COMPANY/ ORGANIZATION NAME: BDWID

▶ (B) REFERENCES:

▶ **PACE ENGINEERING:** Taylor Pierce - E: tpierce@pacewater.com / P: 602.540.2727 / 5155 Venture Parkway, Redding, CA, 96002

▶ **BOUSE WATER:** John Bennett - E: parkguy5156@gmail.com / P: 928.575.7727 / PO Box 334, Bouse, AZ 85325

▶ (C) **PROJECT DESCRIPTION & SERVICES PROVIDED:** Felix Construction successfully completed a water infrastructure project for the Town of Bouse, located 60 miles south of Lake Havasu. This project brought significant improvements to the town's potable water source and distribution system, enhancing water quality and system reliability for its 1,200 seasonal residents. The scope of work included drilling a new water well, installing a state-of-the-art water treatment system, and constructing a new operations building. A booster pump system was added near the town center to ensure consistent water delivery, while an entirely new 6-inch water distribution system was installed to replace aging infrastructure. Additionally, a 70,000-gallon storage tank was constructed to meet the community's water needs. Felix also installed 145 radio water meters, replacing the previous manual system that only monitored four meters each month. This upgrade now allows the town to accurately bill residents and track water usage, marking a significant leap in efficiency and functionality. In a historic first for the community, Felix installed Bouse's very first and only fire hydrant, greatly enhancing public safety and emergency preparedness.

The residents of Bouse were actively engaged throughout the process, and their excitement about the improvements was evident. Felix's team found

it incredibly rewarding to witness how their work positively impacted the lives of the residents on such a meaningful scale.

This project not only upgraded Bouse's water system but also laid a strong foundation for future growth and sustainability, ensuring reliable access to clean water for years to come.

▶ (D) **VENDOR'S ROLE:** General Contractor

▶ (E) **DATES OF CONTRACT:** November 2022 - June 2024

▶ **CONSTRUCTION COST:** \$5.7M



Existing Water Infrastructure

RELEVANT CONSTRUCTION SERVICES SIMILARITIES:



Key
Team



Engineer



Federal
Funding
USDA
AIS

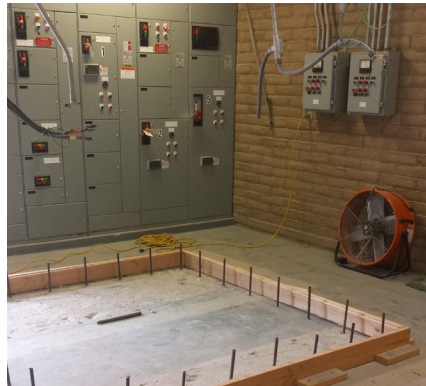


Management
of Site
Operations



Team
Collaboration

B. EXPERIENCE AND QUALIFICATIONS / (2) SIMILAR PROJECTS



2 EPCOR: NORTHWEST VALLEY WATER RECLAMATION FACILITY (NWVWRF) / SUN CITY, AZ

▶ (A) COMPANY/ ORGANIZATION NAME: EPCOR

▶ (B) REFERENCES:

- ▶ **EPCOR:** Rick Shane - E: rshane@epcor.com / P: 623.445.2451 / 2355 W. Pinnacle Peak Road, Suite 300, Phoenix, AZ 85027
- ▶ **WATER WORKS ENGINEERS:** John Matta - E: johnm@wwengineers.com / P: 480.661.1742 / 7500 N. Dobson Road, Suite 200, Scottsdale, AZ 85256

▶ (C) PROJECT DESCRIPTION & SERVICES PROVIDED: Felix teamed with WaterWorks Engineers (WWE) on major improvement projects at the EPCOR Northwest Valley Water Reclamation Facility. Our team worked closely with operations staff to develop an understanding of preferences and needs that aided in the progression of projects. Work areas included but not limited to sludge pump, odor control, rehab of clarifier, and chemical system. A significant portion of work was led by Felix's E/I&C Group:

- ▶ 3000 A Main Plant Switchboard and MCC-4 Replacement, MCC-5 Circuit Breakers, and MCC-2 Re-feed cabling
- ▶ SES & ATS upgrade: Critical path upgrade of the Service Entrance Section including the addition of modern "SMART" Automatic Transfer Switch.
- ▶ Headworks Improvements: Felix furnished and installed new electrical systems and instrumentation for the new headworks building which tied-in to existing plant operations.

▶ 750KW Generator Replacement

▶ Blower and Aeration Header Replacement

▶ (D) VENDOR'S ROLE: CMAR Contractor Preconstruction Services including Constructability Review, Value Engineering, Conceptual Estimates, Cost Estimating, and Scheduling.

▶ (E) DATES OF CONTRACT: June 2017 - June 2022

▶ CONSTRUCTION COST: \$10.1M

RELEVANT CONSTRUCTION SERVICES SIMILARITIES:



Key
Team



Management
of Site
Operations



Team
Collaboration



Related
Infrastructure



Scheduling

B. EXPERIENCE AND QUALIFICATIONS / (2) SIMILAR PROJECTS



3 157TH AVENUE WRF EXPANSION / GOODYEAR, AZ

▶ (A) COMPANY/ ORGANIZATION NAME: City of Goodyear

▶ (B) REFERENCES:

▶ **EPCOR:** Barb Chapell - E: Barbara.Chappell@goodyearaz.gov / P: 623.932.3910 / 1900 N. Civic Square Goodyear, AZ 85395

▶ **WATER WORKS ENGINEERS:** Rob Bryant - E: robb@wwengineers.com / P: 602.909.8191 / 7500 N. Dobson Road, Suite 200, Scottsdale, AZ 85256

▶ (C) **PROJECT DESCRIPTION & SERVICES PROVIDED:** In order to meet the sewage treatment demands of a growing municipality, the city needed to expand the volume of its 157th Ave WTP from 4.0 MGD to 6.0 MGD. The Work for this project included the construction of an influent pump station with accompanying odor control system, an onsite forcemain, replacement of aeration fine bubble diffusers, replacement of sedimentary basin clarifier equipment, the construction of a chlorine contact basin with an effluent pump station, installation of a new centrifuge and solids handling improvements, select demolition, associated electrical and instrumentation, yard piping, grading, bypass pumping and performing related required work. Felix was not only responsible for the construction outlined in the scope above, but the deconstruction, demolition and decommissioning of the existing influent pump station, clarifier equipment, and effluent pump station. It was important that the city was able to maintain its existing operations as we were constructing its new structures and installing the new equipment. During the pre-construction phase, Felix was able to generate cost models for the plant expansion that helped the city maximize their budget yet maintain the engineer's design intent. We provided constructability review feedback to the design engineer and how the project could be sequenced in order to

maintain the plant operations. Once the project was underway, Felix met daily with the plant operations staff to understand its needs and to make sure that our construction sequencing was acceptable to maintain their operations. We developed Maintenance of Plant Operations (MOPO) plans that outlined each segment of our work and how it related to its ability to maintain its operations. We were able to bypass equipment that needed to be replaced and sequenced work during low flow periods in order to limit the exposure during the outages. We brought the new facilities online prior to decommissioning the old, existing facilities.

▶ (D) **VENDOR'S ROLE:** CMAR Contractor
Preconstruction Services including Constructability Review, Value Engineering, Conceptual Estimates, Cost Estimating, and Scheduling at 60%, 90%, and 100% Design Plans. Felix also provided electrical site investigations and evaluation of the electrical and communication infrastructure.

▶ (E) **DATES OF CONTRACT:** June 2019 - September 2020

▶ **CONSTRUCTION COST:** \$14.5 M

RELEVANT CONSTRUCTION SERVICES SIMILARITIES:



Key
Team



Management
of Site
Operations



Team
Collaboration

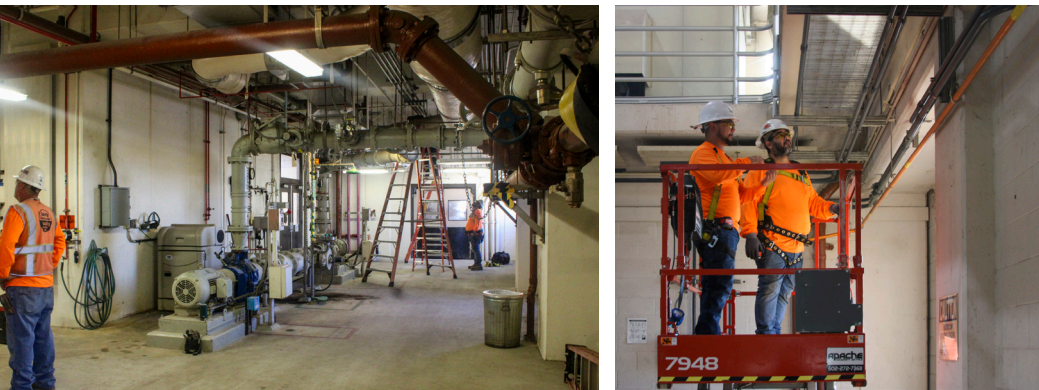


Related
Infrastructure



Scheduling

B. EXPERIENCE AND QUALIFICATIONS
(2) SIMILAR PROJECTS / (3) PROJECT FROM THE LAST FIVE YEARS



4 WASTEWATER FACILITIES PROCESS CONTROL JOC / PHOENIX, AZ

- (A) COMPANY/ ORGANIZATION NAME: City of Phoenix
- (B) REFERENCES: City of Phoenix
 - CITY OF PHOENIX: Christine Close - E: christine.close@phoenix.gov / P:602.363.2674 / 200 W. Washington St., 8th Floor, Phoenix, AZ 85003
 - WILSON ENGINEERS: Gus Lopez E: gus.lopez@wilson-engineers.com / P: 602.882.1750 / 1620 W. Fountainhead Parkway, Suite 501, Tempe, AZ 85282
- (C) PROJECT DESCRIPTION & SERVICES PROVIDED: Felix was selected as the Job Order Contractor six consecutive times (2009, 2013, 2016, 2019, 2021, 2024) by the City of Phoenix for construction services at the 23rd Ave WWTP. To date we have successfully been issued 343 individual Job Orders ranging from a \$13K concrete repair project to a \$2.1M gas sensor upgrade project. Felix Construction performed within our general construction discipline and E/I & C disciplines.
- (D) VENDOR’S ROLE: Job Order Contractor / Prime Contractor
- (E) DATES OF CONTRACT: June 2019 - June 2024
- CONSTRUCTION COST: \$24,995,260

Key Team Management of Site Operations Team Collaboration Related Infrastructure Scheduling

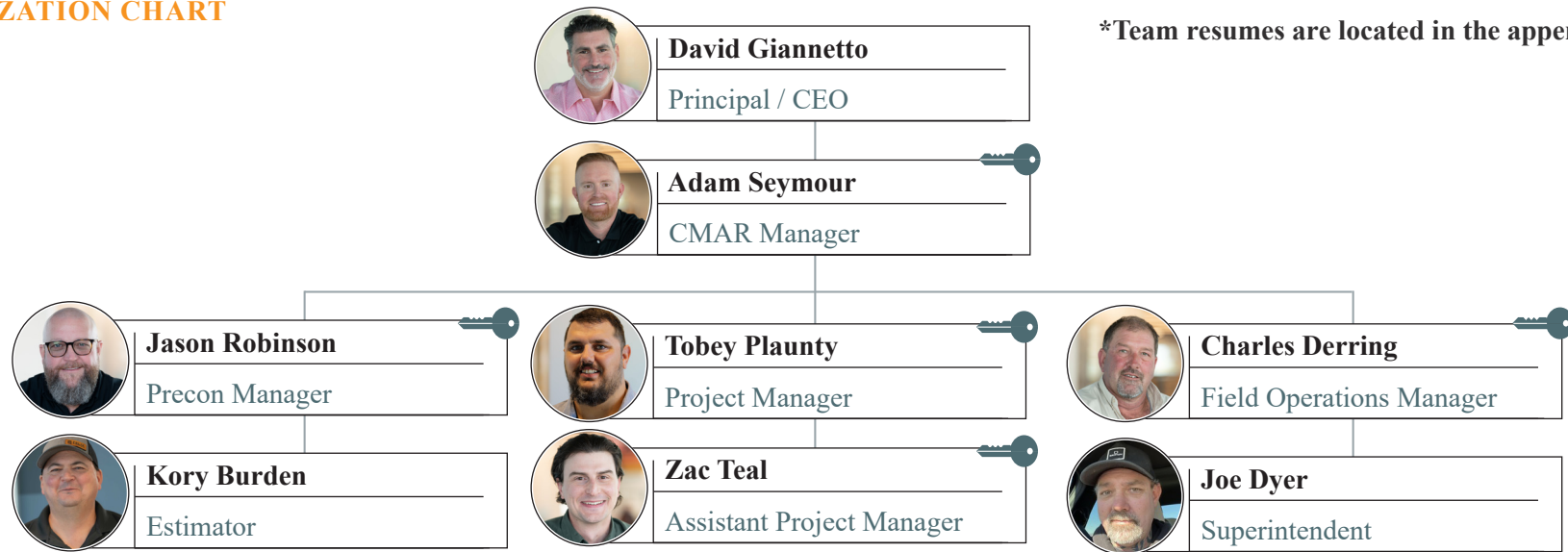
Over the past five years our key team members have been building water and wastewater infrastructure including several projects at Wastewater Reclamation Facilities in Arizona. Felix Construction has been involved in more than 200 projects over the past two years (including JOCs, CMAR,DB) providing construction services in Arizona. Below is a sample list of relevant wastewater projects.

PROJECT NAME		Procurement Method
1	Kingman Downton WWTP	CMAR
2	Goodyear 157th Ave WRF Expansion	CMAR
3	Phoenix 23rd Avenue WTP	JOC
5	Camelback Core BPS	CMAR
6	Clarkdale WRF Expansion	CMAR
7	Cottonwood WRF	CMAR
8	Buckeye Sun City Festival WWTP	CMAR
9	Surprise SPA 1 Improvements	CMAR
10	Surprise SPA 2	CMAR
11	Rainbow Valley WRF Expansion	CMAR
12	EPCOR Verrado WWTP	CMAR
13	EPCOR Anthem	CMAR
14	EPCOR NWVWTP	CMAR
15	SPA 1 Capacity Improvements	CMAR
16	Goodyear Rainbow Valley WRF	CMAR
17	Buckeye Sundance WRF Rehab	CMAR
18	Kingman W/WW JOC	JOC
19	Avondale CM Wolf Odor Control	CMAR
20	Buckeye Industrial Park Lift Station	CMAR
21	Peoria W/WW JOC	JOC
22	Archer Western Copper Basin WRF Structures	Subcontractor
23	Lift Station 77	CMAR
24	Rauch Interim Lift Station	CMAR
25	EPCOR Copper Basin Regional Lift Station	CMAR

C. KEY POSITIONS

(1) IDENTIFY EACH KEY PERSONNEL / (2) INDICATE ROLES & RESPONSIBILITIES (5) HOME OFFICE / FELIX TENURE / % TIME

ORGANIZATION CHART



*Team resumes are located in the appendix.

Key Personnel	Role	Felix AZ Office	% Work Local - Town of Chino Valley	Years at Felix	Years in Industry	Northern AZ Team	WIFA / Government Funded Project Experience	Bouse Water System Improvements	EPCOR NWVWRF	Goodyear	Clarkdale AZ WWTP	Cattail Cove WTP	Kingman W&WW JOC	EPCOR Unit 17	Forestar Moonlight LS	City of PHX 23rd Ave WWTP JOC
 Jason Robinson	Precon Manager	✓	10%	4	29	✓	✓	✓			✓	✓	✓	✓	✓	✓
 Kory Burden	Estimator	✓	10%	12	28	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
 Adam Seymour	CMAR Manager	✓	10%	2	16	✓	✓					✓	✓	✓	✓	
 Tobey Plaunty (Local - On site)	Project Manager	✓	100%	1	17	✓	✓					✓	✓	✓		
 Zac Teal	APM	✓	40%	7	7	✓	✓	✓				✓			✓	✓
 Charles Derring	Field Ops Manager	✓	10%	16	31	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
 Joe Dyer (Local - On Site)	Supervisor	✓	100%	5	31	✓	✓	✓				✓	✓	✓	✓	

C. KEY POSITIONS

(3) SUBCONTRACTOR USAGE & PLAN FOR SUPERVISION

SUBCONTRACTOR USAGE

Felix is able to perform 85% of the work on projects of this type, but may utilize subcontractors in this program in order to expedite the schedule and provide the Town the most competitive pricing and the best contractor for the work. This will provide additional value for the Town during the CMAR process. Felix will work with the Town to select these firms based upon our Subcontractor Selection Plan and will contract with SBE firms if they are the most qualified. All subcontractors and subconsultants will be selected through our Subcontractor Selection Plan as outlined in Section D.3.

SUPERVISION PLAN

Charles and Joe will act as the primary points of contact for all subcontractors on the project, providing onsite supervision to ensure both safety and quality standards are upheld. They will work closely with each subcontractor's foreman to maintain alignment with project requirements and ensure all subcontractor work is seamlessly integrated into the overall project schedule.

All subcontractors will participate in pre-project safety training and daily morning huddles, ensuring a shared commitment to safety and collaboration. Subcontractors will adhere to the same inspections, reviews, and approval processes as Felix's self-perform crews, guaranteeing that their work meets all project specifications and quality standards.

To maintain transparency and accountability, subcontractors will submit daily progress logs and participate in weekly project reviews. Any issues that arise will be promptly escalated to the project manager, who will collaborate with the subcontractor to address them efficiently, ensuring the project remains on schedule and within specifications.

85%
SELF-PERFORM
CAPABILITIES



D. PROJECT UNDERSTANDING & APPROACH

(1) PROJECT MANAGEMENT APPROACH, TEAM ORGANIZATION, AND APPROACH TO PERFORMING SERVICES

PROJECT MANAGEMENT APPROACH

At Felix, our project management approach is centered on proactive problem-solving, attention to detail, and meticulous planning, which is the driving force of our approach to managing CMAR construction. We know the role of a CMAR necessitates a high level of flexibility, an openness to constant change, and a strong sense of discipline. Given that many of our projects occur within existing water production facilities, we know how to adhere to strict protocols to safeguard the town’s assets and public safety. Effective coordination is paramount, and our CMAR Manager Adam Seymour will work closely with the Town’s Plant Staff, the Engineer, and the Town’s assigned PM.

Our project management team understands that avoiding project pitfalls is crucial to the success of any project. As such, we prioritize early identification and correction of potential issues before they escalate. This begins in preconstruction with a detailed project plan outlining the scope, objectives, and alignment with the client’s needs and expectations. Having a clear understanding of the project before it starts is key to ensuring that the project is completed on time and within budget.

TEAM ORGANIZATION

Felix’s team is comprised of a CMAR Manager, Project Manager, Assistant Project Manager, Precon Manager, Estimator, and Superintendent who have previously collaborated effectively on comparable projects. This team will be entrusted with executing our management strategy to ensure that both the Town and Felix benefit from their expertise. Consistent with our approach, the same group of key personnel will be assigned to your project throughout its various stages, including design, preconstruction, construction, and project closeout, ensuring continuity in management.

PARTNERING

At Felix, we embrace partnering as an integral part of our project management methodology. Over the years, Felix has been called upon to take a leadership role in uniting engineers, equipment manufacturers, and specific subcontractors, facilitating the rapid and efficient progress of various projects. These collaborative partnerships often necessitate the utilization of Felix’s financial stability to achieve the desired results.

MOPOS

To prevent unplanned service disruptions during the construction phase, our team will develop detailed Maintenance of Plant Operations (MOPO) documents for critical tie-ins, shutdowns, and startups. These documents will be submitted to the Project Team and facility staff for review and approval. Each MOPO will meticulously detail construction activities down to the minute and include backup emergency plans as necessary. *An example is on the following page.*

WORK PACKAGES

All of our project managers are well-versed in AutoCAD and produce work packages throughout the project. Work packages integrate the engineered drawings, structural requirements, approved submittals, operational clearance, and safety considerations for the field personnel to use while building the work. Our team will develop discipline-specific work packages in an effort to avoid conflicts between civil, concrete, mechanical, electrical, and instrumentation work. The work packages are developed by our PM/PE, double checked, and then sent to all parties for review and sign-off. *An example is on the following page.*

PRECONSTRUCTION PHASE
COMMUNICATION

WEEKLY UPDATE EMAILS

IN PERSON PROGRESS MEETINGS

CONTINUOUS OPEN COMMUNICATION

DESIGN REVIEW AND COST MODEL WORKSHOPS IN PERSON

SUBMITTAL WORKSHOPS - TEAMS & IN PERSON

CONSTRUCTION PHASE COMMUNICATION

CONTINUOUS OPEN COMMUNICATION

IN PERSON CONSTRUCTION PROGRESS MEETINGS

DAILY ONSITE PROJECT TEAM

MOPO DEVELOPMENT & REVIEW MEETINGS IN PERSON

D. PROJECT UNDERSTANDING & APPROACH

(1) PROJECT MANAGEMENT APPROACH, TEAM ORGANIZATION, AND APPROACH TO PERFORMING SERVICES

EXAMPLE MOPO AT CITY OF SURPRISE SPA1 WRF (CMAR)

Recently our team at the City of Surprise SPA1 Water Reclamation Facility successfully executed a shutdown of the effluent pump station in order to install temporary bypass piping to divert flows and remedy pipe settling on the plant’s main effluent offsite distribution line.

The nearest isolation valves on this line are miles off site, so in order to install the bypass piping system, we needed to drain/pump an estimated 500,000 gallons through two discharge locations. Once the distribution line was drained, Felix’s crew along with our bypass piping subcontractor connected the temporary piping to allow this line to remain in use while our team addressed the area of this line that was settling.

Additionally, Felix E/I&C installed a temporary flowmeter allowing plant staff to accurately track flow totals as the permanent flow meter needed to be isolated to complete our scope.

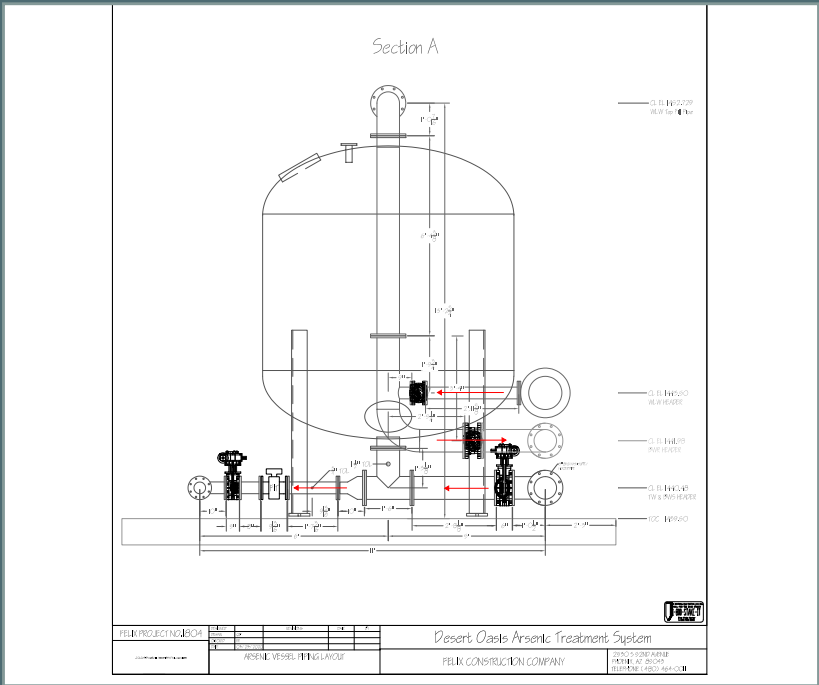
This shutdown was carried out flawlessly, minimizing disruptions to end users and ensuring no disruptions to the plant process. Due to demand from the City’s reclaimed water customers, this shutdown duration was restricted to 48 hours to drain/pump this line and install the temporary bypass piping. With proper calculations and planning, the line was back in service in 42 hours.



EXAMPLE OF A FELIX WORK PACKAGE.

BENEFITS:

- ▶ Single document that includes all the project’s field-verified dimensions.
- ▶ Checked and verified by the Felix Project Superintendent.
- ▶ Results in minimal errors in the field.



D. PROJECT UNDERSTANDING & APPROACH

(2) SIGNIFICANT ISSUES

ISSUE 1 **Issue: WIFA State Revolving Fund –** Construction projects funded by the Water Infrastructure Finance Authority of Arizona (WIFA) come with unique challenges and considerations to ensure compliance with funding requirements and successful project execution. These projects involve strict adherence to state and federal regulatory standards, including environmental reviews, Davis-Bacon wage requirements, and Buy America provisions. Meeting these requirements demands meticulous planning, documentation, and coordination with regulatory agencies. Additionally, WIFA-funded projects may have specific timelines and milestones that must be achieved to maintain funding eligibility, requiring efficient project management and scheduling.

SOLUTION: Collaboration with Town Staff, Consultants, and Design Engineers is critical to maintain transparency and protect public interests. Successfully navigating these challenges ensures that the project will meet its goals while leveraging WIFA funding effectively. As detailed in the solicitation documents, this project is being phased in order to maximize the use of WIFA's State Revolving Fund. During preconstruction, Felix will work closely with the project team to maximize the scope of work in each phase by providing accurate and thoughtful Cost Models utilizing local suppliers, subcontractors and labor whenever possible.

ISSUE 2 **Issue: Labor and Subcontractor Involvement –** Felix has partnered with municipalities throughout northern and western Arizona to complete numerous water and wastewater projects. We understand that at times there can be challenges in getting the right amount of skilled labor or subcontractors to successfully execute a project of this nature.

Solution: As noted previously, Felix is very experienced working with municipalities similar in size to Chino Valley. In order to maximize the amount of local labor and subcontractor involvement, we will solicit a list of qualified local subcontractors from Town Staff and hold a Project Overview Meet & Greet event to gauge interest and begin developing relationships. We will also look to hire supplemental labor locally when possible. These efforts will ensure that we can maximize the project budget and be a benefit to the local economy. Because the Town is located almost exactly equidistant from our hubs in both Phoenix and Kingman, we have assembled a project management team from both areas. This will give the Town the attention it deserves throughout the project.

ISSUE 3 **Issue: Site Laydown and Staging –** On most operational facilities, space for construction trailers, parking, laydown & staging is at a premium. Fortunately, the Town has the foresight to expand the footprint of the plant in 2023.

SOLUTION: Felix has put together a preliminary site plan to demonstrate how we propose to organize the site during construction. This site plan suggests areas for trailers, lay down, and construction material staging as well as potential access points that will reduce the impact of construction on day-to-day operations. *Please see page 17 for the site plan.*

ISSUE 4 **Issue: Geotechnical Challenges –** It is understood that the clay soils in the area will necessitate over excavation and import of suitable fill material for the construction of the new EQ Basins. This requirement will drive the cost and the schedule of these basins.

Solution: Once the Geotechnical Report is completed, our project team will look for

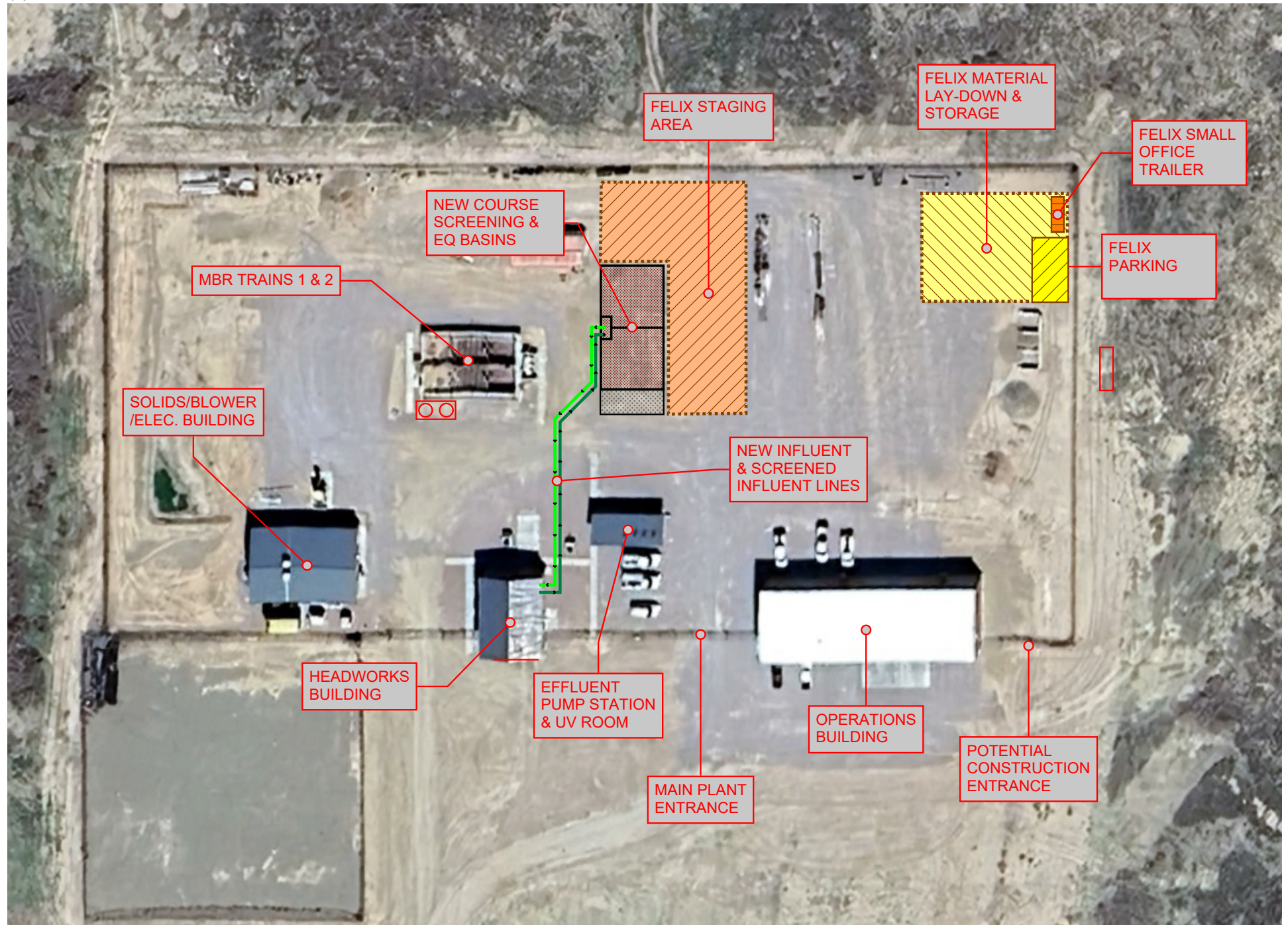
cost effective ways to meet the geotechnical requirements. This may include local materials or alternate methods that may prove advantageous to the project cost and/or schedule. If any of these alternatives are deemed appropriate, our expert civil and concrete crews will follow all requirements precisely to ensure that the structure is constructed correctly.

ISSUE 5 **Issue: Grading and Paving Improvements –** Currently the topography of the plant creates sheet flows across the site from east to west. As the site fence is chain link, flows from outside the plant also enter the site and flow across plant. The 30% Design Proposes grading and paving improvements to direct flows around the plant which will reduce erosion and improve site access during and after rain events and generally provide protection to the process.

SOLUTION: Felix is well versed in helping clients and engineers explore options to make grading and paving more affordable. The current plan to create a swale around the main part of the plant looks to provide a solution to the sheet flow issue. While the plan doesn't currently detail the material for the improved roads around the site, Felix will evaluate the most cost effective and durable paving surfaces available. On recent projects, we have been able to find considerable savings by placing asphalt only at areas of high or heavy traffic and where trucks turn around for pick up or delivery. In standard travel areas, we suggest decomposed granite, stabilized granite or millings. This can be a great opportunity for Town departments to collaborate as well. On a recent project, we were able to obtain millings from a road improvement project nearby which helped both projects.

D. PROJECT UNDERSTANDING & APPROACH

(2) SIGNIFICANT ISSUES



D. PROJECT UNDERSTANDING & APPROACH

(2) SIGNIFICANT ISSUES / (3) SUBCONTRACTOR SELECTION PLAN

INNOVATIVE IDEAS: *Please reference the graphic on page 19.*

- ▶ **ALTERNATE LOCATION OF EQ BASINS:** In an effort to reduce cost to the project, we believe that the EQ Basins could be located at the front of the plant between the Headworks Building and the Operation Building. This will reduce the length of underground pipe needed to get flows into and out of the basins by approximately 300 linear feet and simplify construction by eliminating the need to cross existing pipelines and ductbanks which will help avoid unplanned interruptions to normal operations during construction.
- ▶ **ALTERNATE SIZE OF EQ BASINS:** Because the existing soil conditions are a major cost factor and may impact the longevity and soundness of the EQ Basin structure, we have evaluated the idea of making the EQ Basins bigger and more shallow. Basins that are approximately twice as wide could reduce the depth 6 to 7 feet and still maintain the required volume. This option may reduce or eliminate the need for extensive over-excavation and structural fill which could allow for more flexibility in the project budget.
- ▶ **ODOR CONTROL BOHN BIOFILTER:** The current plans include two small stand-alone odor control units at the Headworks and Solids Building. There is a smaller fenced area formerly for solar panels that provides the perfect location for an in-ground Bohn Biofilter to handle Odor Control at these two buildings. While these biofilters may have a higher initial cost, they allow for long term, low maintenance odor control and can be easily scaled as the need arises.

SUBCONTRACTOR SELECTION PLAN

Felix will select major subcontractors based on qualifications alone, or a combination of qualifications and price, but not on price alone (in accordance to ARS §34-603 and ARS §41-2578). Felix requires that all subcontractors first go through our pre-qualification process. This process evaluates the financial stability, bonding capacity, safety record, and takes into consideration the experience of work on similar projects as well as our past work experience with the subcontractor. Typically, we select subcontractors based on a combination of qualifications and price.

We will select on qualifications alone if:

- ▶ Design assistance is needed during the preconstruction phase
- ▶ Proprietary services or products are required
- ▶ Accelerated project schedule is necessary

Outside of the scopes specifically identified for qualification selection, subcontractors will be selected through our process outlined in the **Subcontractor Selection Process**.

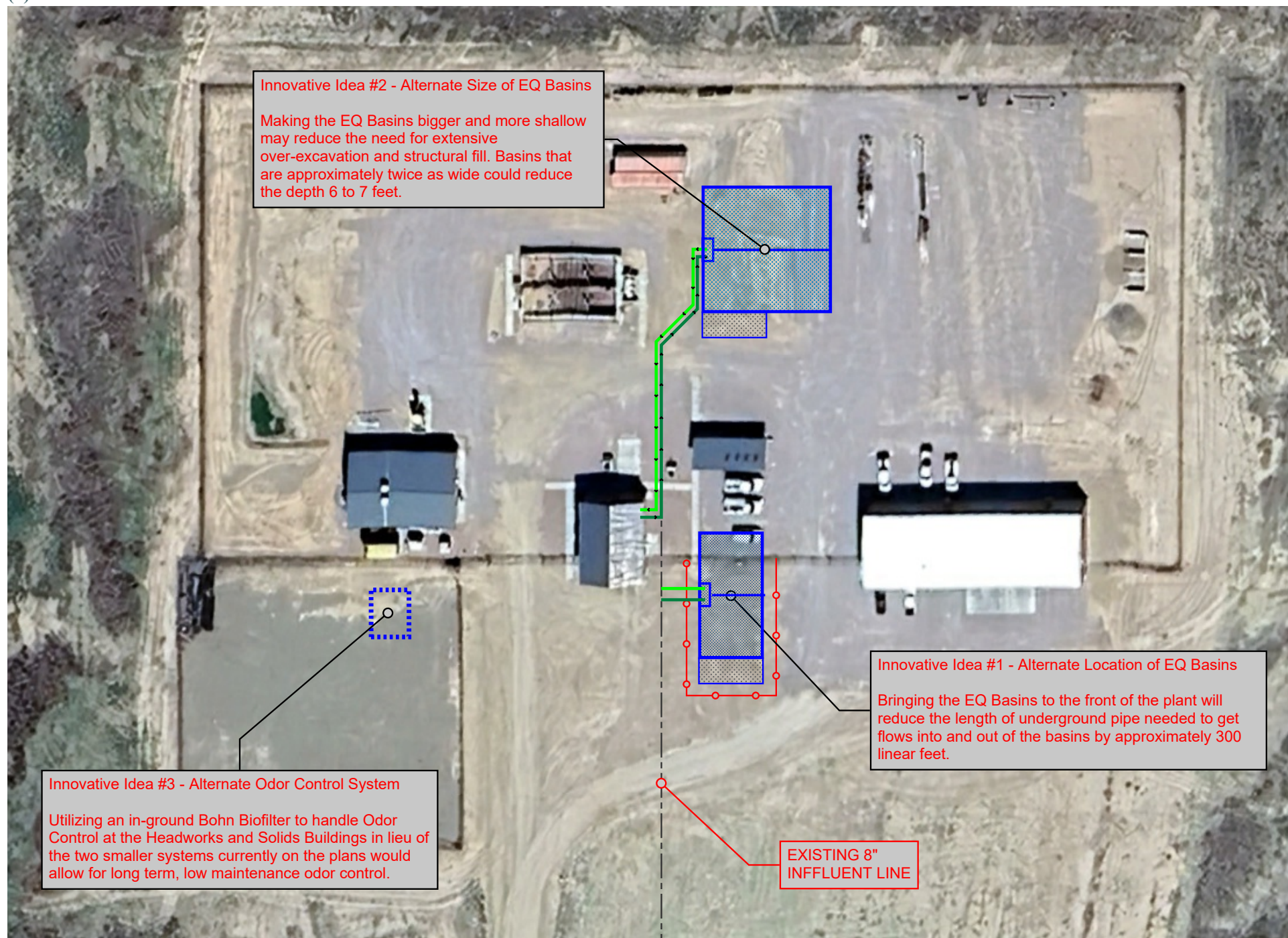
Once the subcontractor meets these criteria they become part of the Felix Construction build team. Together we deliver projects of the highest quality and within the time frame desired by the Town.

SUBCONTRACTOR SELECTION PROCESS

1.  Analyze project scope for subcontractor needs
2.  Identify scope for qualifications only and combination of qualifications/price
3.  Submit list of pre-qualified subs to the Town for approval
4.  Solicit approved subcontractors
5.  Evaluate SOQs and/or bids to review with subcontractors for completeness
6.  Prepare subcontractor summary with award recommendation and submit to the Town of Chino Valley.
7.  Issue contracts to selected subcontractors

D. PROJECT UNDERSTANDING & APPROACH

(2) SIGNIFICANT ISSUES



D. PROJECT UNDERSTANDING & APPROACH

(4) SYSTEMS FOR PLANNING, SCHEDULING, ESTIMATING, AND MANAGING CONSTRUCTION

Felix's goal as the CMAR Contractor is to perform our work in the best interest of the Town of Chino Valley. We have developed a wide array of planning, scheduling, management, and budgeting processes that consistently lead to successful CMAR projects.

- ▶ We will identify potential issues early, and develop creative solutions.
- ▶ Scoping meeting to develop a matrix of tasks and responsibilities.
- ▶ Provide open book estimating and cost modeling using our in-house cost modeling system.
- ▶ Our team will review construction issues early in the project in order to eliminate potential lost time or increased cost.
- ▶ Development of a preliminary milestone schedule. Updates to schedule as the project progresses.
- ▶ With our 5-week look-ahead schedules, communication, and work packages, Felix is able to resolve any potential issues upfront before it goes to the field.

SOFTWARE SYSTEMS	
DESIGN	
Auto Cad	Panel Design, conduit layout, instrumentation, layouts, work packages, rack layouts
Schneider Electric/ Modicon & Allen Bradley Programming	IO checks and perform factory acceptance tests. (Felix Electrical Group)
Schnieder Electric, Allen Bradley, Eaton, Yaskawa, WEG, and Toshiba VFD	Install, setup, test, and trouble shoot VFDs (Felix Electrical Group)
SCHEDULING	
Microsoft Project	Track long-lead materials and construction modifications.
5-Week Look Ahead	Accurately plan materials, decisions, and manpower.
ESTIMATING	
ProEst 	Create standardized proposal forms, perform digital takeoffs, manage cost databases, invite subcontractors to bid, manage and share project documents, and manage bids.
Bluebeam 	Define and clarify the scope of the project, review constructability, bidability, and add value engineering comments. Redline existing drawings, implement photographs, aerial/Google earth images, etc., to demonstrate the proposed scope of work.
Building Connected 	Leverage the largest subcontractor network in the construction industry to manage our subcontractor bid process. We are able to solicit subs, compare bids, and manage the process all through the online system.
MANAGING CONSTRUCTION	
Trimble Project Sight 	Construction management software - single source of collaboration and information.

D. PROJECT UNDERSTANDING & APPROACH

(4) QUALITY CONTROL, DISPUTE RESOLUTION, AND SAFETY MANAGEMENT / (5) PROJECT SCHEDULE

QUALITY CONTROL

At Felix, we prioritize quality workmanship by providing ongoing training and education to our entire team, from our newest field laborers to our company's leadership. This commitment to continuous training equips our team members with the necessary tools to consistently deliver projects to the highest standards. Furthermore, we implement a comprehensive three-tier quality control plan on all projects, which encompasses field quality inspections and meticulous document reviews to ensure accuracy and compliance with the latest methods and materials. Our project superintendents and QC team conduct daily on-site inspections, facilitating early issue resolution and cost savings. Adam Seymour, Tobey Plaunty, Charles Derring, and Joe Dyer are dedicated to enhancing project quality through precise work packages, contributing to an improved overall project experience.

Quality Control

01

01. SUBCONTRACTOR/ SUPPLIER SELECTION

Selecting well-qualified subcontractors and suppliers that have repeatedly delivered on quality, safety and performance.

02

02. EXPERIENCED EMPLOYEES

Quality work starts with our team. All employees are continually educated on owner standards and efficiency. Qualified workers will complete each task.

03

03. CHECKS AND BALANCES

At Felix, we are continually checking the quality of our work. This means daily, on-site quality checks by our Superintendent and Project Manager. Should a question of quality ever arise, it will be quickly escalated until it is worked through and resolved.

DISPUTE RESOLUTION

Felix rarely has disputes on projects, as our thorough work packages identify problems well in advance and prevent most issues during construction. However, should any disputes arise, we believe they should be handled and resolved by the parties closest to the issue, as they are the most capable of finding a fair and equitable resolution. Having upper management on the team also eliminates any need to advance concerns to higher management levels. **Our process has resulted in 38 years as a company without a claim.**

SAFETY MANAGEMENT

Felix's primary goal is to provide a safe working environment for our employees and subcontractors. We have achieved this goal by:

- ▶ Fostering a Culture of Safety First.
- ▶ Proper Planning for both Known and Potential Hazards
- ▶ Employee Safety Training
- ▶ Selecting Subcontractors who Share our Goal of Providing a Safe Working Environment
- ▶ Pre-Job Conferences to Review Subcontractor Safety Programs
- ▶ Project Superintendent Inspecting the Work-in-Progress Daily
- ▶ Correcting Potential Hazards



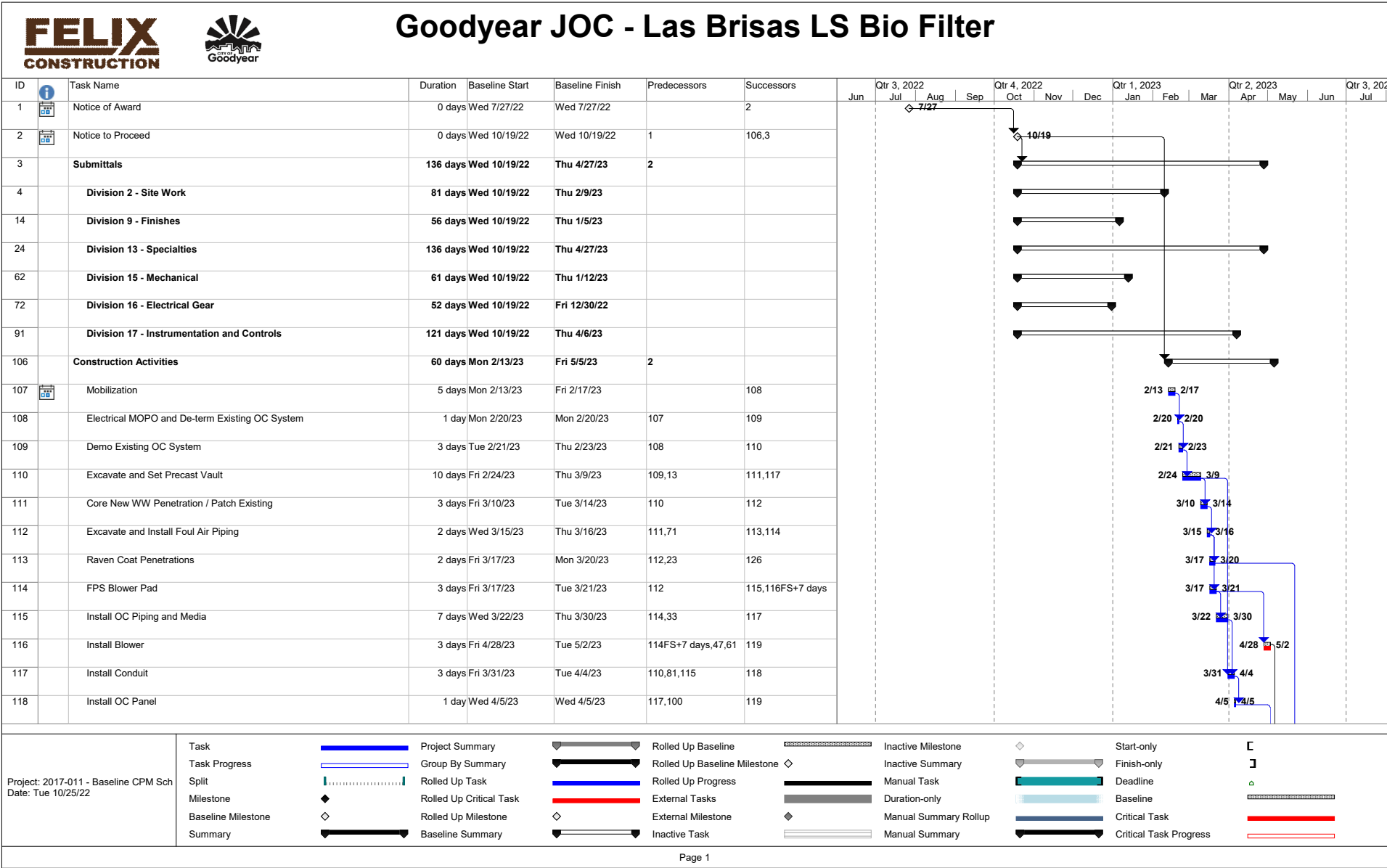
PROJECT SCHEDULE

When creating a baseline schedule, we consider several key factors and assumptions to establish a realistic starting point:

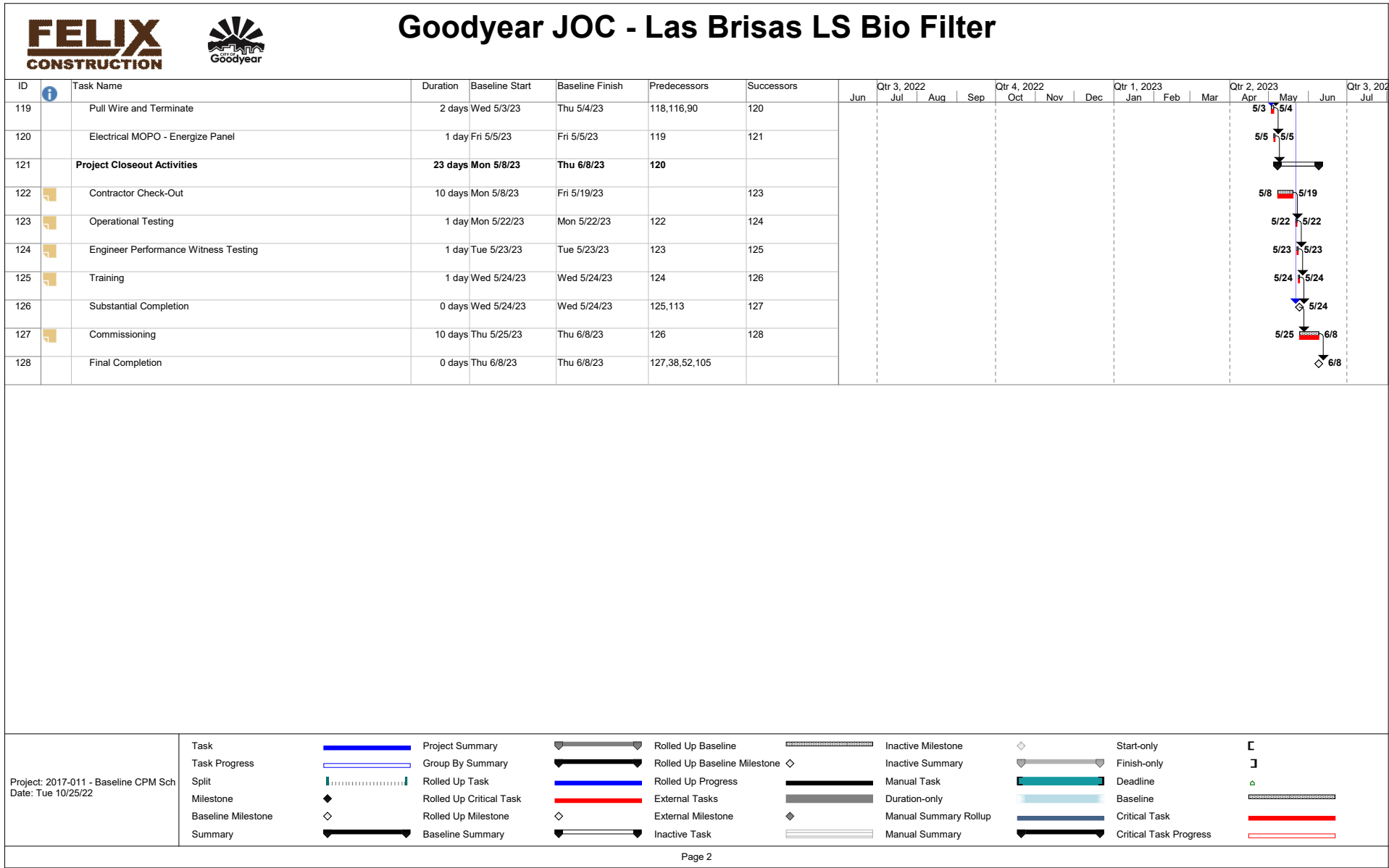
- ▶ **WEATHER:** While the schedule cannot account for unpredictable weather conditions, it assumes continuous work without weather-related delays.
- ▶ **PERMITTING:** We assume permitting review periods occur within reasonable timeframes and permits are obtained promptly.
- ▶ **TRADE PARTNERS:** The schedule assumes trade partners meet their deadlines without delays in materials or labor.
- ▶ **ELECTRICAL COMPONENTS:** Electrical components are expected to adhere to production schedules without delays.
- ▶ **UTILITY CONFLICTS:** No issues are anticipated with utility conflicts during excavation or other construction phases.
- ▶ **DESIGN STABILITY:** The schedule assumes no design changes or additions to the project scope.
- ▶ **SITE ACCESS:** Unimpeded access to and availability of the work area are assumed throughout the project.

This baseline schedule is then reviewed collaboratively with the client and engineer to ensure it aligns with project goals and constraints, resulting in the most effective plan for the project.

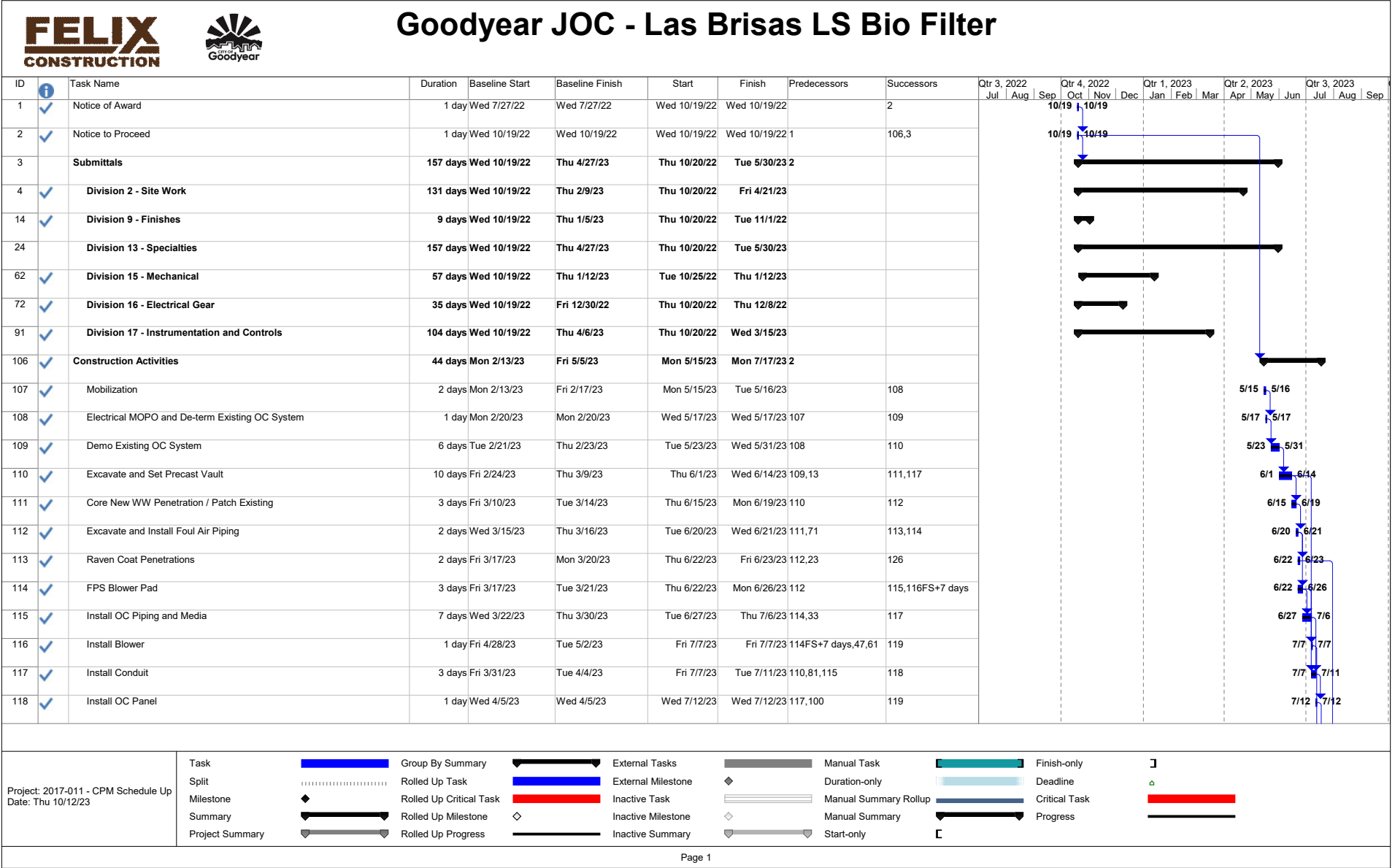
D. PROJECT UNDERSTANDING & APPROACH
(5) PROJECT SCHEDULE



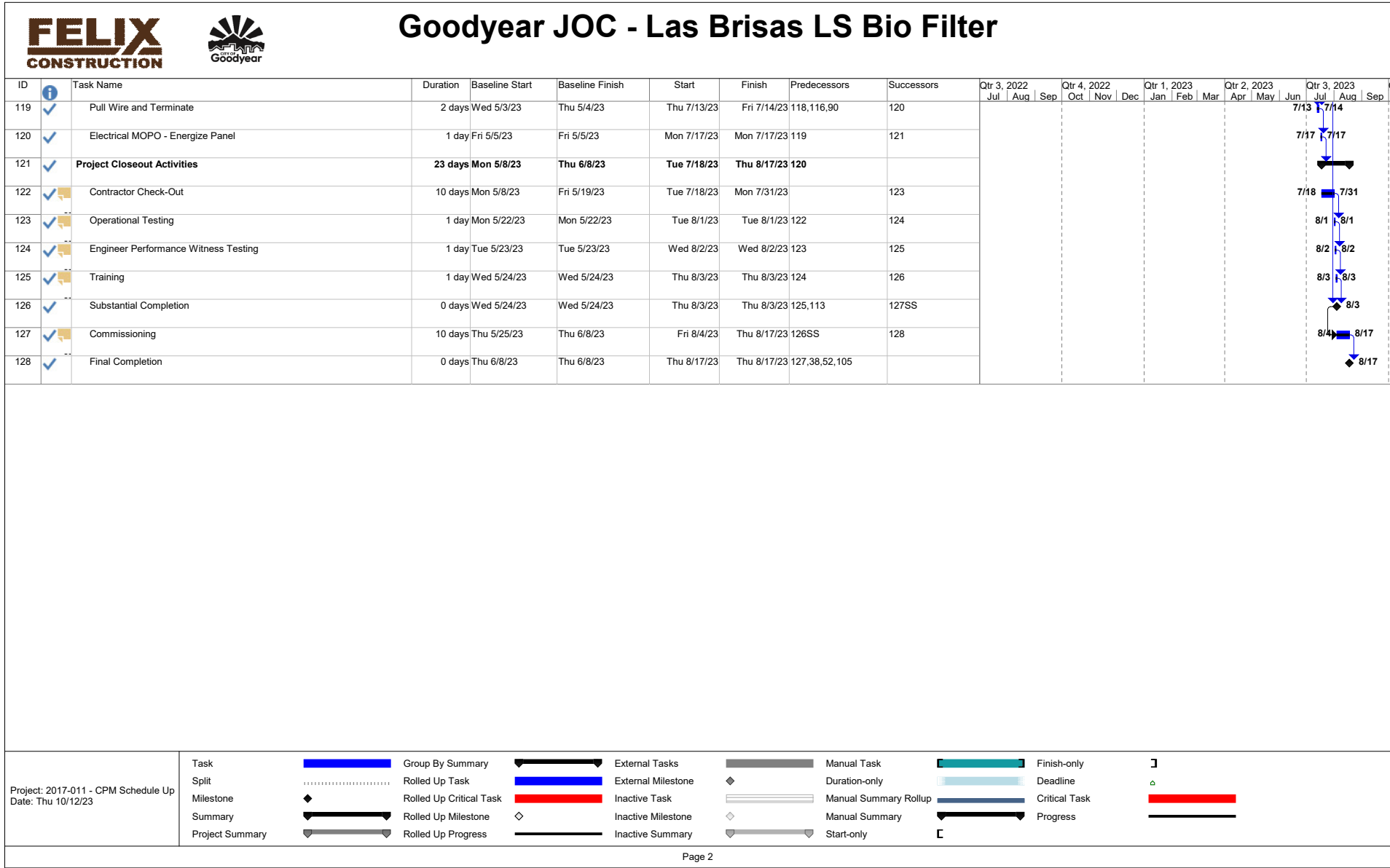
D. PROJECT UNDERSTANDING & APPROACH
(5) PROJECT SCHEDULE



D. PROJECT UNDERSTANDING & APPROACH
(5) PROJECT SCHEDULE



D. PROJECT UNDERSTANDING & APPROACH
(5) PROJECT SCHEDULE





RESUMES



FELIX CONSTRUCTION

HOME OFFICE: Arizona

2 Years with Felix

16 Years Total Experience

EDUCATION:

- ▶ B.S. Construction Management
University of Nebraska Lincoln

TRAINING &

CERTIFICATIONS:

- ▶ AZ Water Association -
Leadership Training through
Rockstar Workforce

PERCENT OF WORK DONE LOCALLY:

- ▶ 10% (Chino Valley)
- ▶ 90% (Felix Office)

ADAM SEYMOUR

CMAR MANAGER

As a highly experienced project manager with over sixteen years of expertise in the industrial, water, and wastewater industries, Adam will be an invaluable asset to the City. He can provide a comprehensive and unique perspective that adds value to both preconstruction and execution. Adam's ability to implement project plans and maintain clear communication throughout the project ensures that there are no surprises, and he is committed to finishing projects on time, within budget, and with the highest quality standards. Adam's experience includes Chino Valley SR-89 Highway Widening. This project widened the existing road from 2 to 4 lanes between Road 1 South and Road 4 South. The scope of work included all underground utilities and construction of a roundabout. This was the first CMAR project for ADOT. Adam is well versed in guiding clients through the CMAR process and ensuring them the best value.

Notable Projects:

- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ Kingman W & WW Treatment Plant Facilities JOC, Kingman, AZ
- ▶ EPCOR Unit 17 Res Replacement Willow Valley, AZ
- ▶ Well 21 Test Drilling, Tempe, AZ
- ▶ KMGC RW4 Drill & Test, Tempe, AZ
- ▶ KMGC RW3 Drilling, Tempe, AZ
- ▶ KMGC RW2 Drill & Equip, Tempe, AZ
- ▶ SRPMIC Well Abandonment Program, Multiple Locations, AZ
- ▶ Lucid WWTP, Casa Grande, AZ
- ▶ Forestar Moonlight Lift Station, Maricopa, AZ
- ▶ FPS Tempe Rural Rd Vaults, Tempe, AZ
- ▶ *Deer Valley Water Treatment Plant Reservoir, Phoenix, AZ
- ▶ *Loop 202 South Mountain Freeway, Phoenix, AZ
- ▶ *Midtown Express SH 189 Managed Lanes, Dallas, TX
- ▶ *Chino Valley SR 89, Chino Valley, AZ

- ▶ *Previous Firm

RESUMES



JASON ROBINSON

PRECONSTRUCTION MANAGER

Jason has over 29 years of experience providing oversight and management of water and wastewater projects. As the preconstruction manager, Jason specializes in working with clients and project stakeholders to help develop comprehensive plans for construction projects, from initial concept to final design. He will provide invaluable insight and help steer the decision for systems selection and material procurement. Jason's ability to develop and manage a successful preconstruction process combined with his knowledge will set the foundation for a smooth and efficient construction process for the Town.

Notable Projects:

- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ Kingman W & WW Treatment Plant Facilities JOC, Kingman, AZ
- ▶ Kingman Downtown Wastewater Treatment Plant, Kingman, AZ
- ▶ 23rd Avenue WWTP, Phoenix, AZ
- ▶ EPCOR Unit 17 Res Replacement Willow Valley, AZ
- ▶ EPCOR NWVWRF, Sun City, AZ
- ▶ Surprise SPA 1, Surprise, AZ
- ▶ Surprise SPA 2, Surprise, AZ
- ▶ Rainbow Valley WRF Phase I (Precon), Goodyear Valley, AZ
- ▶ CM Wolf WRF Odor Control, Avondale, AZ
- ▶ Merit Partners - Buckeye Industrial Park Lift Station, Buckeye, AZ
- ▶ Forestar - Moonlight Lift Station, Maricopa, AZ
- ▶ Jen Partners - Sienna Hills Sewer Lift Station, Buckeye, AZ
- ▶ EPCOR Copper Basin Lift Station, SanTan Valley, AZ
- ▶ Peoria JOC Water and Wastewater Treatment and Remote Facilities, Peoria, AZ
- ▶ Buckeye Odyssey Well & Transmission Line, Buckeye, AZ
- ▶ Ventana Ranch Well, Buckeye, AZ
- ▶ Groundwater Well JOC, Phoenix, AZ
- ▶ Gilbert Wells Program, Gilbert, AZ
- ▶ Peoria Wellfield Program, Peoria, AZ
- ▶ Gilbert Site 20 Reservoir & Well Sites, Gilbert, AZ

FELIX CONSTRUCTION HOME OFFICE: Arizona

4 Years with Felix

29 Years Total Experience

- ▶ Felix Extended Leadership Team

EDUCATION:

- ▶ Business Management
University of Phoenix

TRAINING & CERTIFICATIONS:

- ▶ PMP (Project Management Professional) - Project Management Institute
- ▶ VMA (Value Methodology Associate) - SAVE International
- ▶ ENV SP (Envision Sustainability Professional) - Institute for Sustainable Infrastructure

PERCENT OF WORK DONE LOCALLY:

- ▶ 10% (Chino Valley)
- ▶ 90% (Felix Office)

RESUMES



FELIX CONSTRUCTION

HOME OFFICE: Arizona

12 Years with Felix

28 Years Total Experience

EDUCATION:

- ▶ B.S. Advanced Tech Studies
Southern Illinois University
- ▶ A.S. Architecture, Morrison
Institute of Technology

TRAINING &

CERTIFICATIONS:

- ▶ OSHA 10 Hour
- ▶ A.C.E. - JOC Certification

AWARDS:

- ▶ 2023 AZ Water Association
Wastewater System Project of the
Year - Lift Station 77
- ▶ American Public Works
Association - Project of the
Year Award Environment - Lift
Station 77

PERCENT OF WORK DONE LOCALLY:

- ▶ 10% (Chino Valley)
- ▶ 90% (Felix Office)

KORY BURDEN

SENIOR ESTIMATOR

With an impressive career of over 28 years in the industry, including 12 years of dedicated service with Felix, Kory embodies an unparalleled depth of experience. As the Lead Estimator for every Felix proposal or GMP submitted over the past 12 years, Kory possesses an in-depth understanding of the requirements and expectations for well projects. His established relationships with subcontractors enable him to secure necessary quotes efficiently. Kory's estimates and budgets are not only accurate but also comprehensive, covering all aspects of the required scope of work. This ensures precision and reliability in project planning and execution. Kory's collaborative approach is evident in his seamless coordination with the preconstruction manager to meticulously prepare estimates.

Notable Projects:

- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ Kingman W & WW Treatment Plant Facilities JOC, Kingman, AZ
- ▶ Aeration Basin 1W Refurbishment Phase 3, Phoenix, AZ
- ▶ Aeration Basin 1W Refurbishment Phase 2, Phoenix, AZ
- ▶ Aeration Basin 1W Refurbishment Phase 1, Phoenix, AZ
- ▶ Merit Partners - Buckeye Industrial Park Lift Station, Buckeye, AZ
- ▶ Lennar - Middle Vista Sewer Lift Station, Phoenix, AZ
- ▶ EPCOR Unit 17 Res Replacement Willow Valley, AZ
- ▶ Forestar - Moonlight Lift Station, Maricopa, AZ
- ▶ EPCOR Rauch Interim Lift Station & Force Main, Surprise, AZ
- ▶ EPCOR Northwest Valley Water Reclamation Facility, Sun City, AZ
- ▶ Trillium Management Development Company - Floreo Water Campus and Well Sites, Buckeye, AZ
- ▶ Peoria JOC Water and Wastewater Treatment and Remote Facilities, Peoria, AZ
- ▶ Lennar - SPA 2 DO Expansion, Surprise, AZ
- ▶ Lift Station 77, Phoenix, AZ
- ▶ Alameda Lift Station, Tempe, AZ
- ▶ Knox Sewer Lift Station, Tempe, AZ
- ▶ Buckeye JOC, Sundance WRF, Buckeye, AZ
- ▶ 157th Avenue WRF Expansion, Goodyear, AZ
- ▶ Surprise Wastewater JOC - SPA 1 Improvements, Surprise, AZ
- ▶ 23RD Avenue, WWTP, Phoenix, AZ

RESUMES



FELIX CONSTRUCTION

HOME OFFICE: Arizona

1 Years with Felix

17 Years Total Experience

EDUCATION:

- ▶ B.S. Construction Management, Northern Arizona University

TRAINING & CERTIFICATIONS:

- ▶ OSHA 10 HR
- ▶ ATTSA Traffic Control Supervisor
- ▶ ACI Concrete Field Testing Technician – Grade 1
- ▶ First Aid
- ▶ Certified Public Works Professional – Supervision
- ▶ American Institute of Constructors – Associate Constructor

PERCENT OF WORK DONE LOCALLY:

- ▶ 100% (Chino Valley)

TOBEY PLAUNTY

PROJECT MANAGER

As Project Manager, Tobey plays a pivotal role in ensuring the project's successful execution. He is responsible for supporting the CMAR Manager Adam Seymour, and he handles the day-to-day coordination, including scheduling, budgeting, and progress tracking. Tobey will collaborate closely with field supervisors, subcontractors, and vendors to ensure work aligns with project specifications and timelines. His project responsibilities also include managing the procurement of materials and equipment, maintaining project documentation, and participate in site meetings to address challenges and maintain alignment among stakeholders.

Notable Projects:

- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ Kingman W & WW Treatment Plant Facilities JOC, Kingman, AZ
- ▶ 7A-GS2 3MG Concrete Reservoir, Phoenix, AZ
- ▶ *City of Kingman Main Tank, Kingman, AZ
- ▶ *City of Kingman Main Tanks Transmission Line, Kingman, AZ
- ▶ *City of Kingman Reclaimed Water Recharge, Kingman, AZ

- ▶ *Previous Firm

RESUMES



FELIX CONSTRUCTION

HOME OFFICE: Phoenix

7 Years with Felix

7 Years Total Experience

EDUCATION:

- ▶ B.S.E. Civil Engineering, Arizona State University

TRAINING &

CERTIFICATIONS:

- ▶ ABA Emerging Leaders
- ▶ First Aid & CPR

PERCENT OF WORK DONE LOCALLY:

- ▶ 40% (Chino Valley)
- ▶ 60% (Felix Office)

AWARDS:

- ▶ 2023 AZ Water Association Wastewater System Project of the Year - Lift Station 77

ZAC TEAL

ASSISTANT PROJECT MANAGER

Zac brings extensive experience in the water and wastewater industry, making him an invaluable asset to any project. His deep commitment to the community and the client drives him to go above and beyond to ensure the project meets the highest standards while delivering meaningful benefits to the community. Zac excels in collaborating with engineers, working closely to identify the best solutions that balance cost-efficiency and quality. As an Assistant Project Manager, Zac offers additional advantages, including dedicated support for managing day-to-day project operations, streamlining communication between teams, and ensuring schedules and budgets stay on track. His proactive approach to problem-solving and strong organizational skills help maintain project momentum and address challenges swiftly.

Notable Projects:

- ▶ Forestar Moonlight Lift Station, Maricopa, AZ
- ▶ Lift Station 77, Phoenix, AZ
- ▶ City of Phoenix JOC, Phoenix, AZ
- ▶ Bouse BDWID Water System Improvements, Bouse, AZ
- ▶ Well 21, Tempe, AZ
- ▶ FPS Tempe Rural Road Vaults, Tempe, AZ
- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ KMGC RW4 Drill & Test, Tempe, AZ
- ▶ KMGC RW3 Drilling, Tempe, AZ
- ▶ KMGC RW2 Drill & Equip, Tempe, AZ
- ▶ SRPMIC Well Abandonment Program, Multiple Locations, AZ

RESUMES



Felix Construction

Home Office: Phoenix

16 Years with Felix

31 Years Total Experience

Field Leadership Team

TRAINING & CERTIFICATIONS:

- ▶ OSHA 30 Hour
- ▶ First Aid & CPR
- ▶ Confined Space
- ▶ Scaffolding
- ▶ Competent Person
- ▶ Fall Protection
- ▶ Trench & Excavation Safety
- ▶ Scaffolding

AWARDS:

- ▶ 2023 AZ Water Association Wastewater System Project of the Year - Lift Station 77

PERCENT OF WORK DONE LOCALLY:

- ▶ 10% (Chino Valley)
- ▶ 90% (Felix Office)

CHARLES DERRING

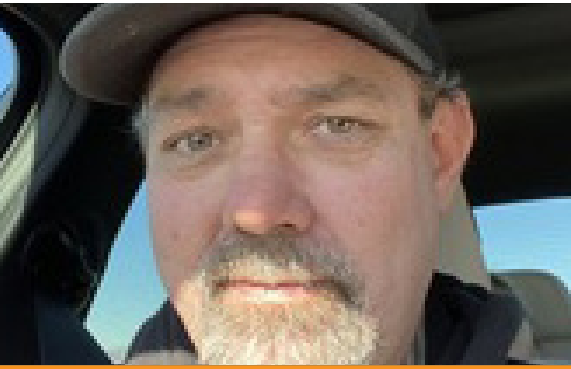
FIELD OPERATIONS MANAGER

With more than 30 years of experience in constructing water and wastewater infrastructure across Arizona, Charles brings unparalleled expertise to this project. His extensive knowledge of industry standards ensures the seamless integration of best practices, while his steadfast dedication to safety and quality control provides stakeholders with confidence in achieving exceptional results. Charles's proven ability to lead field staff and implement effective protocols further underscores his capability to deliver a successful and high-quality project.

Notable Projects:

- ▶ Kingman W & WW Treatment Plant Facilities JOC, Kingman, AZ
- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ Goodyear Rainbow Valley Water Reclamation, Goodyear, AZ
- ▶ Kingman Downtown Wastewater Treatment Plant, Kingman, AZ
- ▶ KMGC RW4 Drill & Test, Tempe, AZ
- ▶ KMGC RW3 Drilling, Tempe, AZ
- ▶ KMGC RW2 Drill & Equip, Tempe, AZ
- ▶ Aeration Basin 1W Refurbishment Phase 3, Phoenix, AZ
- ▶ Aeration Basin 1W Refurbishment Phase 2, Phoenix, AZ
- ▶ Aeration Basin 1W Refurbishment Phase 1, Phoenix, AZ
- ▶ EPCOR Unit 17 Res Replacement Willow Valley, AZ
- ▶ Merit Partners - Buckeye Industrial Park Lift Station, Buckeye, AZ
- ▶ Lennar - Middle Vista Sewer Lift Station, Phoenix, AZ
- ▶ Trillium Management Development Company - Floreo Water Campus and Well Sites, Buckeye, AZ
- ▶ EPCOR Rauch Interim Lift Station & Force Main, Surprise, AZ
- ▶ Lennar - SPA 2 DO Expansion, Surprise, AZ
- ▶ Lift Station 77, Phoenix, AZ
- ▶ Peoria JOC Water and Wastewater Treatment and Remote Facilities, Peoria, AZ
- ▶ Surprise Wastewater JOC - SPA 1 Improvements, Surprise, AZ
- ▶ 23RD Avenue, WWTP, Phoenix, AZ
- ▶ Avondale CM Wolf WRC Odor Control Improvements, Avondale, AZ

RESUMES



Felix Construction

Home Office: Phoenix

5 Years with Felix

31 Years Total Experience

Local - Kingman

TRAINING & CERTIFICATIONS:

- ▶ OSHA 30 Hour
- ▶ First Aid & CPR
- ▶ Confined Space
- ▶ Competent Person
- ▶ Dust Control

PERCENT OF WORK DONE LOCALLY:

- ▶ 100% (Chino Valley)

JOE DYER

SUPERINTENDENT

With a career spanning over three decades in construction, including water and wastewater infrastructure within the state of Arizona, Joe brings a wealth of experience and expertise to the JOC. His in-depth familiarity with water and wastewater infrastructure standards is a distinct advantage, ensuring seamless integration of existing knowledge into every build. Joe has an unwavering commitment to safety and quality control on every project, instilling confidence in stakeholders and guaranteeing the highest standards throughout the build. His expertise in overseeing project field staff and implementing project protocols further solidifies his suitability for this role. Joe and his crew are located in Kingman and have been performing construction of water and wastewater projects across Northern Arizona.

Notable Projects:

- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ Kingman W & WW Treatment Plant Facilities JOC, Kingman, AZ
- ▶ Kingman Downtown WWTP, Kingman, AZ
- ▶ Forestar Moonlight Lift Station, Maricopa, AZ
- ▶ EPCOR Unit 17 Res Replacement Willow Valley, AZ
- ▶ Bullhead WWTP Expansion, Bullhead City, AZ
- ▶ Bouse BDWID Water System Improvements, Bouse, AZ
- ▶ Kingman Water and Wastewater Treatment & Plant Facilities Job Order Contract, Kingman, AZ
- ▶ Kingman - Storm Water Pump Rebuild, Kingman, AZ
- ▶ Main Tank #1, Kingman, AZ
- ▶ DTWTP Filter #1 & #2 Replacement, Kingman, AZ
- ▶ Hilltop Velocity Baffle, Kingman, AZ



TOWN OF CHINO VALLEY

ADDENDUM NO. 1

12/30/24

**RFQ – Construction Manager at Risk (CMAR) for Construction Services for the
Chino Valley Water Reclamation Facility Improvements Project**

Solicitation #: 2024-0029

SOQ Due Date: January 28, 2025

Time: 2:00 P.M., Local Time

Place: Town Clerk's Office
202 North State Route 89
Chino Valley, AZ 86323

Make all revisions to the request for qualifications document stated herein. Insofar as the original request for qualifications are at variance with this Addendum, the Addendum shall govern.

This Addendum consists of 1 page(s).

RFQ Changes:

1. Cover Sheet, Non-Mandatory Pre-Submittal Conference, **CHANGE** to Tuesday, January 7, 2025 at **10:00 a.m.**

BY


Steven Sullivan, PE
Assistant Town Engineer

Date

12/30/24

ACKNOWLEDGEMENT OF ADDENDUM NO. 1

BY



Date

1/27/2025



TOWN OF CHINO VALLEY

ADDENDUM NO. 2

01/15/2025

RFQ – Construction Manager at Risk (CMAR) for Construction Services for the Chino Valley Water Reclamation Facility Improvements Project

Solicitation #: 2024-0029

SOQ Due Date: January 28, 2025

Time: 2:00 P.M., Local Time

Place: Town Clerk's Office
202 North State Route 89
Chino Valley, AZ 86323

Make all revisions to the request for qualifications document stated herein. Insofar as the original request for qualifications are at variance with this Addendum, the Addendum shall govern.

This Addendum consists of 2 page(s).

RFI Responses:

1. Q - *Can we get a plant tour?*

A - The Town will offer a non-mandatory tour of the WRF, Tuesday, January 21, 2025 @ 10:00 am at the WRF (2190 Rodeo Dr, Chino Valley, AZ 86323) for all interested parties.

2. Q - *We have scheduling conflicts with the date selected for oral interviews so may we move potential schedule?*

A - As the indicated date is tentative, selected vendors for oral interviews will be scheduled in accordance with their availability and schedules.

3. Q - *What specifically will phase 1 focus on? What will phase 2 focus on?*

A - The project is still currently in the design phase and the preliminary phasing components are as follows:

The primary scope components within Phase 1 include the installation of new equalization (EQ) basins, a new EQ lift station, new sludge pumps, new sludge storage tanks, and offsite lift station canopy.

The primary scope components within Phase 2 include the installation of a new maintenance bed, the procurement of a new Vactor truck, the installation of a new redundant dewatering screw press, the replacement of the existing UV disinfection units, odor control units for both the Headworks Building and the Dewatering Room, and the completion of the PFAS Pilot study.

BY _____

Steven Sullivan, PE
Assistant Town Engineer

Date _____

ACKNOWLEDGEMENT OF ADDENDUM NO. 2

BY  _____

Date 1/27/2025

FELIX

CONSTRUCTION

Address:

2530 S. 52nd Avenue
Phoenix, Arizona 85043

Phone:

480.464.0011

Website:

felixconstruction.com

EXHIBIT B
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Scope of Work and Fee Proposal]

See following pages.

Monday, April 7th, 2025

Chino Valley Public Works Department
1020 W Palomino Rd,
Chino Valley, AZ 86323

Attn: Frank Marbury

Re: Chino Valley WRF Improvements

Subject: Preconstruction Services Proposal

Mr. Marbury,

Attached you will find our Preconstruction Services Proposal for the construction of Chino Valley WRF Improvements CMAR project. It is anticipated the total amount for these services is \$157,911.52.

A summary of the work in this proposal includes:

- Meetings and Site Visits associated with the project.
- Constructability and Biddability.
- Project Scheduling
- Cost Modeling
- GMP Development
- Allowances for Potholing and Survey

Attached to this letter you will find our proposal documents which include:

- Preconstruction Services Proposal

Legal Name: Felix Construction Company
Corporate & "Remit To" Address: 2530 S. 52nd. Ave., Phoenix, AZ 85043
Phone Number: 480-464-0011
Contract Signatory: Jason Robinson
Project Manager: Adam Seymour

If you have any questions or wish to discuss this matter further, please contact me at (480) 464-0011.

Sincerely,



Jason Robinson
Preconstruction Services Manager
Felix Construction Company

PRECONSTRUCTION SERVICES NARRATIVE

PRECONSTRUCTION SERVICES

1.0 GENERAL MEETINGS & SERVICES

This section details costs related to the contractor's involvement with the below typical meetings held with the client, engineer and project team. Felix internal preparation meetings, including those necessary for subcontractor and vendor input, are not included in this section and are detailed in other categories below.

1.1 Preconstruction General Management

This section covers overall management of preconstruction efforts.

1.2 Kickoff Meeting

The purpose of this meeting is to introduce the project team and stakeholders, review the project scope of work, schedule, and client milestones. At this meeting the clients' contact personnel will be identified, communication protocols will be established, and the project meeting schedule will be developed.

1.3 Design Progress Meetings

This section includes hours directly related to the project team's discussions and review of design documents in preparation for cost modeling and GMP developments. Felix will attend and participate in the design review meetings for the anticipated frequency and duration of the design process. At these meetings, Felix will present their constructability comments associated with the current design package. Felix will gather information during the design review meeting necessary to develop the project schedule and cost model associated with the current design package.

1.4 Cost Modeling & GMP Review Meetings

This section includes hours for cost model and GMP deliverable reviews with the project team. These meetings will be held approximately two weeks after each design progress review meeting and four weeks following the 90% design review meeting. Felix will gather the feedback from the design review meetings and our constructability review comments, and these will be incorporated into the Cost Model or GMP for the given level of design (60% and 90%).

1.5 Other

This section is only utilized in the event the specific job calls for additional meetings outside of the regularly scheduled occurrences. Some examples include site visits, either to the actual build site or to another comparable site.

2.0 CONSTRUCTABILITY & BIDDABILITY REVIEW

Upon receipt of each design package (60% and 90%) Felix will perform an evaluation of the design as it relates to biddability, construction means, methods, sequences, and techniques, as well as any safety considerations. Our focus during this review process will be to enhance project value, construction efficiency, and propose alternate approaches based on our experience with the client and other similar projects. We will compile this evaluation into a list of recommendations and clarification questions to present and discuss at the design review meetings referenced above.

2.2 60% Constructability & Biddability Review

The purpose of this meeting is to introduce the project team and stakeholders, review the project scope of work, schedule, and client milestones. At this meeting the clients' contact personnel will be identified, communication protocols will be established, and the project meeting schedule will be developed.

2.3 90% Constructability & Biddability Review

The purpose of this meeting is to introduce the project team and stakeholders, review the project scope of work, schedule, and client milestones. At this meeting the clients' contact personnel will be identified, communication protocols will be established, and the project meeting schedule will be developed.

4.0 PROJECT SCHEDULING

Following the kick-off meeting, Felix will work with the design engineer to develop a preliminary project schedule reflecting our understanding of the key project milestones and deliverable dates. At each design stage, this project schedule will be updated, and additional detail added to track the design progress, as well as identify key activities associated with material procurement and construction that will drive the project's overall critical path. This schedule will be presented for review at each Cost Model and GMP review meeting.

4.2 60% Schedule Development

This section includes hours for initial schedule brainstorming and development including sequencing of the work with assumed durations and lead times including utility coordination milestones and major transitional phases of the project.

4.3 90% Schedule Update

This section includes hours for updating and detailing a CPM schedule to accompany the final GMP.

4.4 Final GMP Schedule

This section includes hours (if necessary) for any large changes made between the 90% and final design.

5.0 COST MODELS & GMP PROPOSALS

5.2 60% Cost Modeling & GMP Development

Upon receipt of the 60% design package, Felix will begin the development of the Cost Model. Questions and comments for the design engineer will be compiled and addressed in the design review meetings and taken into account for the Cost Model.

5.3 90% Cost Modeling, Bid Solicitation & GMP Development



PRECONSTRUCTION SERVICES PROPOSAL

Upon receipt of the 90% design package, we will perform a final biddability review of the design documents and we will begin to solicit quotes from subcontractors and vendors. During this phase, Felix will coordinate a site visit for all potential subcontractors to view the project site and current conditions prior to the bid date. Answers to questions and clarification issued from the 90% design review meeting will be issued to the bidders as addendum by Felix. We typically set the bids to be due from subcontractors and vendors approximately two weeks after the 90% design review meeting. Following receipt of the bids, we require an additional week during this phase to compile the final Cost Model, which becomes the first draft of the GMP. The final GMP will be developed following the GMP review meeting.

5.4 Final GMP Adjustments

After the 90% iteration, the final GMP will be presented taking into account any minor adjustments.

POTHOLING ALLOWANCE

The estimated cost of each pothole equates to \$2,500. Therefore, an allowance of \$25,000 is set aside for 10 potholes if needed.

OWNER'S ALLOWANCE

10% is set aside for the owner's allowance.

EXCLUSIONS

- Any and all construction activities (other than potholing and site investigation - see Allowance above)
- Permits
- Material Costs

CLARIFICATIONS/ASSUMPTIONS

- This proposal assumes that one contract will be issued for Preconstruction Services, and a wholly separate contract will be issued for Construction (therefore taxes have been excluded from this Proposal).

Preconstruction Service Cost Summary

Description	Man Hours	Total Direct Cost
Division 00 - Preconstruction Services		
1.1 - Preconstruction General Management	100.00	11,681.00
1.2 - Kickoff Meetings	14.00	1,412.42
1.3 - Design Progress Meetings	56.00	5,801.52
1.4 - Cost Models & GMP Review Meetings	32.00	3,368.00
1.5 - Other - Site Visits, Field Trips, Etc.	72.00	7,319.88
2.2 - 60% Constructability & Biddability Review	20.00	2,095.54
2.3 - 90% Constructability & Biddability Review	40.00	4,191.08
4.2 - 60% Schedule Development	21.00	2,159.75
4.3 - 90% Schedule Update	13.00	1,336.67
4.4 - Final GMP Schedule	7.00	719.36
5.2 - 60% Cost Modeling	70.00	8,131.02
5.3 - 90% Cost Modeling, Bid Solicitation & GMP Development	112.00	13,096.24
5.4 - Final GMP Adjustments	32.00	3,633.04
Division 00 - Preconstruction Services Totals	589.0	\$64,945.52



PRECONSTRUCTION SERVICES PROPOSAL

Indirect Cost

Description	Percentage	Totals
Sub-Total (Other Direct / Indirect Costs)		
Preconstruction Indirect Cost (Labor Only)	46.00%	\$25,032.18
Sub-Total (Other Direct / Indirect Costs) Total		\$89,977.70

Preconstruction Services Fee

Description	Percentage	Totals
Sub-Total (Project Fee)		
Project Fee	10.00%	\$6,494.55
Sub-Total (Project Fee) Total		\$96,472.25

Preconstruction Bonds & Insurance

Description	Totals
Sub-Total (Bonds and Insurance)	
Insurance	\$964.72
Payment and Performance Bonds	\$1,169.24
Sub-Total (Bonds and Insurance) Total	\$98,606.22

Preconstruction Taxes

Description	Percentage	Totals
Sub-Total (Taxes)		
Taxes	6.73%	\$7,080.02
Sub-Total (Taxes) Total		\$105,686.23

Project Related Expenses & Contingencies (to be billed on time and material basis)

Description	Totals
Sub-Total (Project Contingencies)	
Sub-Total (Project Contingencies) Total	\$105,686.23

Project Related Expenses & Allowances (to be billed on time and material basis)

Description	Totals
Sub-Total (Project Allowances)	
Potholing Allowance (10 x \$2500)	\$25,000.00
Owner's Allowance	\$6,494.55

Description	Totals
Sub-Total (Project Allowances) Total	\$137,180.79

Total Preconstruction Services Costs

Description	Totals
Total Estimate	
Total Estimate Total	\$137,180.79



PRECONSTRUCTION SERVICES PROPOSAL

Preconstruction Services Cost Detail

Description	Man Hours	Unit Cost	Total Direct Cost
Division 00 - Preconstruction Services			
1.1 - Preconstruction General Management			
Preconstruction Manager	100.00	116.81	11,681.00
1.1 - Preconstruction General Management Totals	100.0		\$11,681.00
1.2 - Kickoff Meetings			
Preconstruction Manager	2.00	116.81	233.62
Preconstruction GC Sr. Project Manager	2.00	126.81	253.62
Preconstruction GC Project Manager	2.00	116.81	233.62
Preconstruction GC Project Engineer	2.00	88.96	177.92
Preconstruction Estimator Electrical	2.00	118.29	236.58
Preconstruction Coordinator	2.00	49.57	99.14
Preconstruction Project Engineer	2.00	88.96	177.92
1.2 - Kickoff Meetings Totals	14.0		\$1,412.42
1.3 - Design Progress Meetings			
Preconstruction Manager	8.00	116.81	934.48
Preconstruction GC Estimator	8.00	118.29	946.32
Preconstruction GC Project Manager	8.00	116.81	934.48
Preconstruction Estimator Electrical	8.00	118.29	946.32
Preconstruction Project Manager Electrical	8.00	116.46	931.68
Preconstruction Coordinator	8.00	49.57	396.56
Preconstruction Project Engineer	8.00	88.96	711.68
1.3 - Design Progress Meetings Totals	56.0		\$5,801.52
1.4 - Cost Models & GMP Review Meetings			
Preconstruction Manager	4.00	116.81	467.24
Preconstruction GC Estimator	4.00	118.29	473.16
Preconstruction GC Project Manager	4.00	116.81	467.24
Preconstruction Estimator Electrical	4.00	118.29	473.16
Preconstruction Project Manager Electrical	4.00	116.46	465.84
Preconstruction Coordinator	4.00	49.57	198.28
Preconstruction Manager Electrical	4.00	116.81	467.24
Preconstruction Project Engineer	4.00	88.96	355.84
1.4 - Cost Models & GMP Review Meetings Totals	32.0		\$3,368.00
1.5 - Other - Site Visits, Field Trips, Etc.			
Preconstruction Manager	12.00	116.81	1,401.72
Preconstruction GC Estimator	12.00	118.29	1,419.48
Preconstruction GC Superintendent	12.00	118.07	1,416.84
Preconstruction Estimator Electrical	12.00	118.29	1,419.48
Preconstruction Coordinator	12.00	49.57	594.84



PRECONSTRUCTION SERVICES PROPOSAL

Description	Man Hours	Unit Cost	Total Direct Cost
Preconstruction Project Engineer	12.00	88.96	1,067.52
1.5 - Other - Site Visits, Field Trips, Etc. Totals	72.0		\$7,319.88
2.2 - 60% Constructability & Biddability Review			
Preconstruction Manager	4.00	116.81	467.24
Preconstruction Estimator Electrical	2.00	118.29	236.58
Preconstruction Project Manager Electrical	2.00	116.46	232.92
Preconstruction Coordinator	2.00	49.57	99.14
Preconstruction Manager Electrical	2.00	116.81	233.62
Preconstruction Project Engineer	4.00	88.96	355.84
Preconstruction GC Estimator	2.00	118.29	236.58
Preconstruction GC Project Manager	2.00	116.81	233.62
2.2 - 60% Constructability & Biddability Review Totals	20.0		\$2,095.54
2.3 - 90% Constructability & Biddability Review			
Preconstruction Manager	8.00	116.81	934.48
Preconstruction GC Estimator	4.00	118.29	473.16
Preconstruction GC Project Manager	4.00	116.81	467.24
Preconstruction Estimator Electrical	4.00	118.29	473.16
Preconstruction Project Manager Electrical	4.00	116.46	465.84
Preconstruction Coordinator	4.00	49.57	198.28
Preconstruction Manager Electrical	4.00	116.81	467.24
Preconstruction Project Engineer	8.00	88.96	711.68
2.3 - 90% Constructability & Biddability Review Totals	40.0		\$4,191.08
4.2 - 60% Schedule Development			
Preconstruction Manager	8.00	116.81	934.48
Preconstruction GC Project Manager	1.00	116.81	116.81
Preconstruction GC Superintendent	1.00	118.07	118.07
Preconstruction Project Manager Electrical	1.00	116.46	116.46
Preconstruction Superintendent Electrical	1.00	112.68	112.68
Preconstruction Coordinator	1.00	49.57	49.57
Preconstruction Project Engineer	8.00	88.96	711.68
4.2 - 60% Schedule Development Totals	21.0		\$2,159.75
4.3 - 90% Schedule Update			
Preconstruction Manager	4.00	116.81	467.24
Preconstruction GC Project Manager	1.00	116.81	116.81
Preconstruction GC Superintendent	1.00	118.07	118.07
Preconstruction Project Manager Electrical	1.00	116.46	116.46
Preconstruction Superintendent Electrical	1.00	112.68	112.68
Preconstruction Coordinator	1.00	49.57	49.57
Preconstruction Project Engineer	4.00	88.96	355.84
4.3 - 90% Schedule Update Totals	13.0		\$1,336.67



PRECONSTRUCTION SERVICES PROPOSAL

Description	Man Hours	Unit Cost	Total Direct Cost
4.4 - Final GMP Schedule			
Preconstruction Manager	1.00	116.81	116.81
Preconstruction GC Project Manager	1.00	116.81	116.81
Preconstruction GC Superintendent	1.00	118.07	118.07
Preconstruction Project Manager Electrical	1.00	116.46	116.46
Preconstruction Superintendent Electrical	1.00	112.68	112.68
Preconstruction Coordinator	1.00	49.57	49.57
Preconstruction Project Engineer	1.00	88.96	88.96
4.4 - Final GMP Schedule Totals	7.0		\$719.36
5.2 - 60% Cost Modeling			
Preconstruction Manager	8.00	116.81	934.48
Preconstruction GC Estimator	40.00	118.29	4,731.60
Preconstruction Estimator Electrical	20.00	118.29	2,365.80
Preconstruction Coordinator	2.00	49.57	99.14
5.2 - 60% Cost Modeling Totals	70.0		\$8,131.02
5.3 - 90% Cost Modeling, Bid Solicitation & GMP Development			
Preconstruction Manager	8.00	116.81	934.48
Preconstruction GC Estimator	60.00	118.29	7,097.40
Preconstruction GC Project Manager	2.00	116.81	233.62
Preconstruction Estimator Electrical	40.00	118.29	4,731.60
Preconstruction Coordinator	2.00	49.57	99.14
5.3 - 90% Cost Modeling, Bid Solicitation & GMP Development Totals	112.0		\$13,096.24
5.4 - Final GMP Adjustments			
Preconstruction Manager	8.00	116.81	934.48
Preconstruction GC Estimator	10.00	118.29	1,182.90
Preconstruction GC Project Manager	2.00	116.81	233.62
Preconstruction Estimator Electrical	10.00	118.29	1,182.90
Preconstruction Coordinator	2.00	49.57	99.14
5.4 - Final GMP Adjustments Totals	32.0		\$3,633.04
Division 00 - Preconstruction Services Totals	589.0		\$64,945.52

Indirect Cost

Description	Percentage	Totals
Sub-Total (Other Direct / Indirect Costs)		
Preconstruction Indirect Cost (Labor Only)	46.00%	\$25,032.18
Sub-Total (Other Direct / Indirect Costs) Total		\$89,977.70



PRECONSTRUCTION SERVICES PROPOSAL

Preconstruction Services Fee

Description	Percentage	Totals
Sub-Total (Project Fee)		
Project Fee	10.00%	\$6,494.55
Sub-Total (Project Fee) Total		\$96,472.25

Preconstruction Bonds & Insurance

Description	Totals
Sub-Total (Bonds and Insurance)	
Insurance	\$964.72
Payment and Performance Bonds	\$1,169.24
Sub-Total (Bonds and Insurance) Total	
	\$98,606.22

Preconstruction Taxes

Description	Percentage	Totals
Sub-Total (Taxes)		
Taxes	6.73%	\$7,080.02
Sub-Total (Taxes) Total		\$105,686.23

Project Related Expenses & Contingencies (to be billed on time and material basis)

Description	Totals
Sub-Total (Project Contingencies)	
Sub-Total (Project Contingencies) Total	\$105,686.23

Project Related Expenses & Allowances (to be billed on time and material basis)

Description	Totals
Sub-Total (Project Allowances)	
Potholing Allowance (10 x \$2500)	\$25,000.00
Owner's Allowance	\$6,494.55
Sub-Total (Project Allowances) Total	\$137,180.79

Total Preconstruction Services Costs

Description	Totals
Total Estimate	
Total Estimate Total	\$137,180.79



PRECONSTRUCTION SERVICES PROPOSAL

Preconstruction General Management Breakdown	Projected Hours
Create and manage Risk Register	10
Cash Flow Projections & Reports	10
Cost Allocation Reports	10
Develop Exhibits (Pothole Plan, Preliminary Layouts, etc)	10
Coordination with Subs/Vendors outside of Pricing Effort	10
Develop and Manage Schedule of Values	10
Coordination Emails & Phone Calls	15
Additional Meetings (Not included in Proposal)	15
Misc. Mangement & Coordination Efforts	10
	100

**CONSTRUCTION MANAGER AT RISK AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY**

THIS PROFESSIONAL SERVICES AGREEMENT (this “Agreement”) is entered into as of April 22, 2025, between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and Felix Construction Company, an Arizona corporation (the “Contractor”).

RECITALS

A. The Town issued a Request for Qualifications, “RFQ for Construction Manager at Risk (CMAR) for Construction Services for the Water Reclamation Facility Improvements Project” (the “RFQ”), a copy of which is on file in the Town’s Finance Office and incorporated herein by reference, seeking statements of qualifications from vendors for professional engineering services that include design, permitting, bid management and procurement, construction support, evaluation, and grant writing (the “Services”).

B. The Contractor responded to the RFQ by submitting a statement of qualifications (the “SOQ”), attached hereto as Exhibit A and incorporated herein by reference.

C. The Town desires to enter into an agreement with the Contractor for the Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until November 30, 2025, unless terminated as otherwise provided in this Agreement.

2. Scope of Work. The Contractor shall provide the Services set forth in the Scope of Work attached hereto as Exhibit B and incorporated herein by reference. The Contractor shall (A) provide the Services required by this Agreement, (B) be responsible for all means, methods, techniques, sequences, and proceedings associated with the Services, and (C) be responsible for the acts and omissions of its employees, agents, and other persons performing any of the Services under a contract with the Contractor. Prior to commencing the Services, the Contractor shall tour the Project site, become familiar with existing conditions, including utilities, and notify the Town of any constraints associated with the Project site.

3. Compensation. The Town shall pay the Contractor an amount not to exceed \$137,180.79 for the Services at the rates set forth in the Fee Proposal, attached hereto as part of Exhibit B and incorporated herein by reference.

4. Payments. The Town shall pay the Contractor monthly, based on work performed and completed to date, and upon submission and approval of invoices. All invoices shall document and itemize all work completed to date. Each invoice statement shall include a record of time expended and work performed in sufficient detail to justify payment.

5. Safety Plan. The Contractor shall provide the Services in accordance with a safety plan that is compliant with Occupational Safety and Health Administration (“OSHA”), American National Standards Institute, and National Institute for Occupational Safety and Health standards. If, in the Contractor’s sole determination, the Services to be provided do not require a safety plan, the Contractor shall notify the Town, in writing, describing the reasons a safety plan is unnecessary. The Town reserves the right to request a safety plan following such notification.

6. Documents. All documents, including any intellectual property rights thereto, prepared and submitted to the Town pursuant to this Agreement shall be the property of the Town. The Town may use such documents for other purposes without further compensation to the Contractor; however, any reuse without written verification or adaptation by the Contractor for the specific purpose intended will be at the Town’s sole risk and without liability or legal exposure to the Contractor.

7. Contractor Personnel. The Contractor shall provide experienced personnel, capable of and devoted to the successful performance of the Services under this Agreement. The Contractor agrees to assign specific individuals to key positions. If deemed qualified, the Contractor is encouraged to hire Town residents to fill vacant positions at all levels. The Contractor agrees that, upon commencement of the Services to be performed under this Agreement, key personnel will not be removed or replaced without prior written notice to the Town. If key personnel are not available to perform the Services for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, the Contractor shall immediately notify the Town of same and shall, subject to the concurrence of the Town, replace such personnel with personnel possessing substantially equal ability and qualifications.

8. Inspection; Acceptance. All work shall be subject to inspection and acceptance by the Town at reasonable times during the Contractor’s performance. The Contractor shall provide and maintain a self-inspection system that is acceptable to the Town.

9. Licenses. The Contractor shall maintain in current status all federal, state, and local licenses and permits required for the operation of the business conducted by the Contractor. The Town has no obligation to provide the Contractor, its employees, or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement.

10. Materials; Equipment. The Contractor shall provide, pay for, and insure under the requisite laws and regulations all labor, materials, equipment, tools, transportation, and other facilities and services necessary for the proper execution and completion of the Services.

11. Performance Warranty. In addition to any specific obligations set forth in Exhibit B, the Contractor warrants that the Services rendered will conform to the requirements of

this Agreement and shall be carried out with the care and skill ordinarily used by members of the same profession practicing under similar circumstances at the same time and in the same locality.

12. Indemnification. To the fullest extent permitted by law, the Contractor shall indemnify and hold harmless the Town and each council member, officer, employee, or agent thereof (the Town and any such person being herein called an “Indemnified Party”), for, from, and against any and all losses, claims, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys’ fees, court costs, and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever (“Claims”) to the extent that such Claims (or actions in respect thereof) are caused by the negligent acts, recklessness, or intentional misconduct of the Contractor, its officers, employees, agents, or any tier of subcontractor in connection with the Contractor’s work or services in the performance of this Agreement. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

13. Insurance.

13.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of the Contractor, the Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Arizona pursuant to ARIZ. REV. STAT. § 20-206, as amended, with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town’s option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, or by approving or expressing satisfaction with insurance policies and forms pursuant to the provisions of this Agreement, the Town does not represent that coverage and limits will be adequate to protect the Contractor. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve the Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage, except Workers’ Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials, and employees as Additional Named Insured as specified under the respective coverage sections of this Agreement.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms

of this Agreement are satisfactorily performed, completed, and formally accepted by the Town unless specified otherwise in this Agreement.

E. Primary Insurance. The Contractor's insurance shall be primary and non-contributory insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Claims Made. If any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three years past completion and acceptance of the Services. Such continuing coverage shall be evidenced by submission of annual Certificates of Insurance and necessary endorsements citing applicable coverage is in force and contains the provisions as required herein for the three-year period.

G. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers, and employees for any claims arising out of the work or services of the Contractor. The Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

H. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the Town. The Contractor shall be solely responsible for any such deductible or self-insured retention amount.

I. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, the Contractor shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the Town and the Contractor. The Contractor shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

J. Evidence of Insurance. Prior to commencing any work or services under this Agreement, the Contractor will provide the Town with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by the Contractor's insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The Town shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage. Still, such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life

of this Agreement, it shall be the Contractor's responsibility to forward renewal certificates and declaration page(s) to the Town 30 days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing this Agreement. A \$25.00 administrative fee shall be assessed for all certificates or declarations received without the appropriate reference to this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing this Agreement will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

(1) The Town, its agents, representatives, officers, directors, officials, and employees are Additional Insureds as follows:

(a) Commercial General Liability – Under Insurance Services Office, Inc., (“ISO”) Form CG 20 10 04 13 or equivalent.

(b) Auto Liability – Under ISO Form CA 20 48 or equivalent.

(c) Excess Liability – Follow Form to underlying insurance.

(2) The Contractor's insurance shall be primary insurance with respect to performance of this Agreement.

(3) All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against the Town, its agents, representatives, officers, officials, and employees for any claims arising out of work or services performed by the Contractor under this Agreement.

ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) is used, the phrases in the cancellation provision “endeavor to” and “but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives” shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

K. Endorsements. The Contractor shall provide the Town with the necessary endorsements to ensure the Town is provided the insurance coverage set forth in this Section 13.

13.2 Required Insurance Coverage.

A. Commercial General Liability. The Contractor shall maintain “occurrence” form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-

completed operations, personal injury, and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured's clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, officials, and employees shall be named as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. The Contractor shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on the Contractor's owned, hired, and non-owned vehicles assigned to or used in the performance of the Contractor's work or services under this Agreement. Coverage will be at least as broad as ISO coverage code "1" "any auto" policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials, and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Contractor engages in any professional services or work in any way related to performing the work under this Agreement, the Contractor shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Contractor, or anyone employed by the Contractor, or anyone for whose negligent acts, mistakes, errors, and omissions the Contractor is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate.

D. Workers' Compensation Insurance. If the Contractor employs anyone who is required by law to be covered by workers' compensation insurance, the Contractor shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over the Contractor's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

13.3 Cancellation and Expiration Notice. The Contractor shall provide at least 30 days prior written notice to the Town before insurance required herein expires, is canceled, or is materially changed.

14. Termination; Cancellation. The Town may, by written notice to the Contractor as set forth in this Section, terminate this Agreement in whole or in part.

14.1 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause after receipt by the Contractor of written

notice by the Town. Upon termination for convenience, the Contractor shall be paid for all undisputed Services performed to the termination date.

14.2 For Cause. If either party fails to perform any obligation pursuant to this Agreement and such party fails to cure its nonperformance within 30 days after notice of nonperformance is given by the non-defaulting party, such party will be in default. In the event of such default, the non-defaulting party may terminate this Agreement immediately for cause and will have all remedies available to it at law or in equity, including, without limitation, the remedy of specific performance. If the nature of the defaulting party's nonperformance is such that it cannot reasonably be cured within 30 days, then the defaulting party will have such additional periods of time as may be reasonably necessary under the circumstances, provided the defaulting party immediately (A) provides written notice to the non-defaulting party and (B) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event shall any such cure period exceed 90 days. In the event of such termination for cause, the Town shall make payment to the Contractor for the undisputed portion of its fee due as of the termination date.

14.3 Due to Work Stoppage. The Town may terminate this Agreement upon 30 days' written notice to the Contractor in the event that the Services are permanently abandoned. If the Contractor abandons the Services without the consent of the Town, the Contractor shall be liable for all actual, incidental, and consequential damages arising from or related to said abandonment, including, but not limited to (A) the difference between the cost of a replacement Contractor to complete the Services and the contract price for the Contractor under this Agreement; and (B) any additional charges, costs, fees or expenses for labor, materials or professional services incurred by the Town as a result of delays caused by abandonment of the Services by the Contractor. The Town shall use its best efforts to replace the Contractor within a reasonable time.

14.4 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of the Town or any of its departments or agencies is, at any time while this Agreement or any extension of this Agreement is in effect, an employee of any other party to this Agreement in any capacity or a Contractor to any other party of this Agreement with respect to the subject matter of this Agreement.

14.5 Gratuities. The Town may, by written notice to the Contractor, cancel this Agreement if it is found by the Town that gratuities, in the form of economic opportunity, future employment, entertainment, gifts, or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer, agent or employee of the Town for the purpose of securing this Agreement. In the event this Agreement is canceled by the Town pursuant to this provision, the Town shall be entitled, in addition to any other rights and remedies, to recover and withhold from the Contractor an amount equal to 150% of the gratuity.

14.6 Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town's then-current fiscal year. The Town's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered

legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose, and the Town shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep the Contractor informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. The Contractor hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town's termination of this Agreement pursuant to this Section.

14.7 Obligations Upon Receipt of Termination Notice. Upon receipt of a notice of termination as set forth above, the Contractor shall (A) immediately discontinue all Services affected (unless the notice directs otherwise), and (B) deliver to the Town copies of all data, reports, calculations, drawings, specifications, and estimates entirely or partially completed, together with all unused materials supplied by the Town, related to the Services including any completed divisible part of the Services which can be deemed to stand alone (the completed divisible parts of the Services will be determined by both parties at the time of termination). Such termination shall not relieve the Contractor of liability for errors and omissions. Any use of incomplete documents for the Services or for any other project without the specific written authorization by the Contractor will be without liability or legal exposure to the Contractor. The Contractor shall appraise the work it has completed and submit the appraisal to the Town for evaluation.

15. Suspension of Work.

15.1 Order to Suspend. The Town may, for its convenience, order the Contractor, in writing, to suspend all or any part of the Services for such period of time as it may determine to be appropriate.

15.2 Adjustment to Contract Sum. If the performance of all or any part of the Services is, for any unreasonable period of time, suspended or delayed by an act of the Town in the administration of this Agreement, or by its failure to act within the time specified in this Agreement (or if no time is specified, within a reasonable time), an adjustment shall be made for any increase in the cost of performance of this Agreement necessarily caused by such unreasonable suspension or modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension or delay (A) to the extent that performance was suspended or delayed for any other cause, including the fault or negligence of the Contractor, or (B) for which a change order is executed.

16. Miscellaneous.

16.1 Independent Contractor. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the

other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the Town. The Contractor, its employees, and subcontractors are not entitled to workers' compensation benefits from the Town. The Town does not have the authority to supervise or control the actual work of the Contractor, its employees, or subcontractors. The Contractor, and not the Town, shall determine the time of its performance of the services provided under this Agreement so long as the Contractor meets the requirements of its agreed Scope of Work as set forth in Section 2 and in Exhibit B. The Contractor is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. The Town and the Contractor do not intend to nor will they combine business operations under this Agreement.

16.2 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona, and suit pertaining to this Agreement may be brought only in courts in Yavapai County, Arizona.

16.3 Laws and Regulations. The Contractor shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Contractor is responsible abides by, and remains in compliance with, all rules, regulations, ordinances, statutes, or laws affecting the Services, including, but not limited to, (A) existing and future Town and County ordinances and regulations, (B) existing and future State and Federal laws, and (C) existing and future OSHA standards.

16.4 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the Town and the Contractor.

16.5 Provisions Required by Law. Each and every provision of law and any clause required by law to be in this Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, this Agreement will promptly be physically amended to make such insertion or correction.

16.6 Severability. The provisions of this Agreement are severable to the extent that any provision or application held to be invalid by a Court of competent jurisdiction shall not affect any other provision or application of this Agreement that may remain in effect without the invalid provision or application.

16.7 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements, or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting this

Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting and reviewing of, and entry into, this Agreement.

16.8 Assignment; Delegation. No right or interest in this Agreement shall be assigned or delegated by the Contractor without prior, written permission of the Town, signed by the Town Manager. Any attempted assignment or delegation by the Contractor in violation of this provision shall be a breach of this Agreement by the Contractor.

16.9 Subcontracts. No subcontract shall be entered into by the Contractor with any other party to furnish any of the material or services specified herein without the prior written approval of the Town. The Contractor is responsible for performance under this Agreement whether or not subcontractors are used. Failure to pay subcontractors in a timely manner pursuant to any subcontract shall be a material breach of this Agreement by the Contractor.

16.10 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of and payment for Services, shall not release the Contractor from any responsibilities or obligations imposed by this Agreement or by law, and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

16.11 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

16.12 Liens. All materials or services shall be free of all liens and, if the Town requests, a formal release of all liens shall be delivered to the Town.

16.13 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Contractor any amounts the Contractor owes to the Town for damages that have been reduced to a judgment resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset from any money due to the Contractor any amounts the Contractor owes to the Town for delinquent fees, transaction privilege use taxes, and property taxes, including any interest or penalties.

16.14 Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, or (C) given to a recognized and reputable overnight delivery service, to the address set forth below, or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection:

If to the Town: Town of Chino Valley
 202 North State Route 89
 Chino Valley, Arizona 86323
 Attn: Cindy Blackmore, Town Manager

With copy to: GUST ROSENFELD P.L.C.
 One East Washington Street, Suite 1600
 Phoenix, Arizona 85004-2553
 Attn: Andrew J. McGuire

If to Contractor: Felix Construcion Company
 2530 S. 52nd Ave.
 Phoenix, AZ 85043
 Attn: David Giannetto, C.E.O.

Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage, or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

16.15 Confidentiality of Records. The Contractor shall establish and maintain procedures and controls that are acceptable to the Town for the purpose of ensuring that information contained in its records or obtained from the Town or from others in carrying out its obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform the Contractor's duties under this Agreement. Persons requesting such information should be referred to the Town. The Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Contractor as needed for the performance of duties under this Agreement.

16.16 Information Technology.

A. Limited Access. If necessary for the fulfillment of this Agreement, the Town may provide the Contractor with non-exclusive, limited access to the Town's information technology infrastructure. The Contractor understands and agrees to abide by all Town policies, standards, regulations, and restrictions regarding access and usage of the

Town's information and communication technology resources. The Contractor shall enforce all such policies, standards, regulations, and restrictions with all the Contractor's employees, agents, or any tier of subcontractor granted access in the performance of this Agreement and shall be granted and authorized only such access as may be necessary for the purpose of fulfilling the requirements of this Agreement.

B. Permitted Access. The Contractor's employees, agents, and subcontractors must receive prior, written approval from the Town before being granted access to the Town's information and communication technology resources and data. The Town, in its sole discretion, shall determine accessibility and limitations thereto. The Contractor agrees that the requirements of this Section shall be incorporated into all subcontractor/subContractor agreements entered into by the Contractor. It is further agreed that a violation of this Section shall be deemed to cause irreparable harm that justifies injunctive relief in court. Notwithstanding the provisions in Section 14, a violation of this Section may result in immediate termination of this Agreement without notice.

C. Data Confidentiality. All Town data and technical information, regardless of form, including originals, images, and reproductions, prepared by, obtained by, or transmitted to the Contractor in connection with this Agreement, are confidential, proprietary information owned by the Town. Except as specifically provided in this Agreement, the Contractor shall not, without the prior, written consent of the Town Manager or authorized designee, (1) disclose data generated in the performance of the Services to any third party, or (2) use Town data and information.

D. Data Security. Personal identifying information, financial account information, or restricted Town information, whether in electronic format or hard copy, must be secured and protected at all times to avoid unauthorized access. At a minimum, the Contractor must encrypt and/or password-protect electronic files. This includes data saved to laptop computers, computerized devices, or removable storage devices. When Town information, regardless of its format, is no longer required by the Contractor to execute the work contracted by the Town, the information must be redacted or destroyed through appropriate and secure methods to ensure the information cannot be viewed, accessed, or reconstructed.

E. Compromised Security. In the event that data collected or obtained by the Contractor in connection with this Agreement is believed to have been compromised, the Contractor shall immediately notify the Town Manager or authorized Town designee. The Contractor agrees to reimburse the Town for any costs incurred by the Town to investigate potential breaches of this data by the Contractor and, where applicable, the cost of notifying and/or assisting individuals who may be impacted by the breach.

F. Disengagement. In the event this Agreement is terminated by either party, the Contractor agrees to confer back to the Town all of its data, in usable and normalized format, within 30 days of notice of termination. There shall be no charge for the return of Town data to the Town.

G. Survival. The obligations of the Contractor under this Section 16.16 shall survive the termination of this Agreement.

16.17 Records and Audit Rights. To ensure that the Contractor and its subcontractors are complying with the warranty under subsection 16.18, the Contractor's and its subcontractor's books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any of the Contractor's and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on the Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 16.18. To the extent necessary for the Town to audit Records as set forth in this subsection, the Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to the Contractor pursuant to this Agreement. The Contractor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this subsection. The Town shall give the Contractor or its subcontractors reasonable advance notice of intended audits. The Contractor shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

16.18 E-Verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-Verify requirements under ARIZ. REV. STAT. § 23-214(A). The Contractor's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

16.19 Israel. To the extent applicable under ARIZ. REV. STAT. § 35-393 through § 35-393.03, the parties hereby certify that they are not currently engaged in, and agree to not engage in for the duration of this Agreement, a "boycott" of goods or services from Israel, as that term is defined in ARIZ. REV. STAT. § 35-393.

16.20 Conflicting Terms. In the event of any inconsistency, conflict, or ambiguity among the terms of this Agreement, any amendments to this Agreement, the Scope of Work, any Town-approved Purchase Order, the Fee Proposal, the RFQ, and the Contractor's SOQ, the documents shall govern in that order.

16.21 Time is of the Essence. The timely completion of the Services is of critical importance to the economic circumstances of the Town.

16.22 Meaning of Terms. References made in the singular shall include the plural, and the masculine shall include the feminine or the neuter.

16.23 Non-Exclusive Contract. This Agreement is entered into with the understanding and agreement that it is for the sole convenience of the Town. The Town reserves the right to obtain like goods and services from another source when necessary.

16.24 Forced Labor of Ethnic Uyghurs. To the extent applicable under ARIZ. REV. STAT. § 35-394, the Contractor warrants and certifies that it does not currently, and agrees that it will not for the duration of this Agreement use the forced labor, any goods or services produced by the forced labor, or 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 that it is not in compliance with this paragraph, the Contractor shall notify the Town of the noncompliance within five business days of becoming aware of it. If the Contractor fails to provide a written certification that it has remedied the noncompliance within 180 days after that, this Agreement shall terminate unless the termination date of this Agreement occurs before the end of the remedy, in which case this Agreement terminates on its termination date.

16.25 Excluded Terms. Terms and conditions not fully outlined in this Agreement, provided to the Town only by reference to one or more websites, or provided to the Town only as “clickwrap” or “clickthrough” terms when using or attempting to use a site or service, are not binding upon the Town.

16.26 Licensing and Registration. The Contractor warrants that it is registered with the Arizona Corporation Commission to do business in Arizona and, upon request, will provide proof thereof to the Town.

16.27 Counterparts. This Agreement may be executed simultaneously or in counterparts, each of which constitutes an original, but all of which together constitute one and the same agreement.

16.28 Cooperative Purchasing. Specific eligible political subdivisions and nonprofit educational or public health institutions (“Eligible Procurement Unit(s)”) are permitted to utilize procurement agreements developed by the Town, at their discretion and with the agreement of the awarded Contractor. The Contractor may, at its sole discretion, accept orders from Eligible Procurement Unit(s) for the purchase of the Services at the prices and under the terms and conditions of this Agreement, in such quantities and configurations as may be agreed upon between the parties. All cooperative procurements under this Agreement shall be transacted solely between the requesting Eligible Procurement Unit and the Contractor. Payment for such purchases will be the sole responsibility of the Eligible Procurement Unit. The exercise of any rights, responsibilities, or remedies by the Eligible Procurement Unit shall be the exclusive obligation of such unit. The Town assumes no responsibility for payment, performance, or any liability or obligation associated with any cooperative procurement under this Agreement. The Town shall not be responsible for any disputes arising out of transactions made by others.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

“Town”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

“Contractor”

FELIX CONSTRUCTION COMPANY
an Arizona corporation

Tom Armstrong, Mayor

David Giannetto, C.E.O.

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

EXHIBIT A
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Contractor's SOQ]

See following pages.



Town of Chino Valley
Request for Qualifications

SOQ FOR CONSTRUCTION MANAGER AT RISK FOR THE CHINO VALLEY WATER RECLAMATION FACILITY

Solicitation Number: PW 25-049

January 28, 2025
@ 2:00 PM

ROC:
070935 A
083020 B-01
172036 C-11

A. GENERAL INFORMATION

(1) COVER LETTER

Town of Chino Valley
202 North State Route 89
Chino Valley, AZ 86323

RE: CHINO VALLEY WATER RECLAMATION FACILITY IMPROVEMENTS PROJECT

Dear Selection Committee:

This is truly an exciting time for the Town of Chino Valley (Town). This project represents a pivotal moment for the Town, as the facility reaches and exceeds capacity, and we are eager to bring our expertise and dedication to support this critical infrastructure upgrade. During our recent site walk, we were deeply impressed by the pride and care that the Town, its operators, and staff have invested in maintaining this facility. It's rare to see such a well-maintained and cared-for facility—truly a testament to the Town's commitment to excellence. We were particularly moved by the evident dedication of the Lead Operator Jesse Holyfield, whose passion for this facility mirrors our own core value of "Cares". This alignment strengthens our confidence in a successful partnership as we move forward together.

At Felix Construction, we take immense pride in building meaningful relationships with our clients, especially those embarking on projects like this for the first time or after long intervals. We understand the importance of guiding our partners through the complexities of such undertakings with care and expertise. As a company that values personal touch over volume, we prioritize collaboration and transparency. Our approach ensures that budgets are realistic and comprehensive from the start, eliminating surprises and delivering on promises. We will focus on maximizing strategic outcomes with creative solutions, including MOPOs and temporary infrastructure when needed.

Felix Construction also brings extensive experience with WIFA-funded projects. We understand the intricacies of this funding and have successfully helped clients meet all requirements while optimizing resources. Whether it's a \$10,000 project or a \$30 million endeavor, we apply the same level of quality, care, and attention to detail, recognizing the importance of every component in delivering clean water to municipalities, communities, and individuals.

Although we've grown over the years, our average project size reflects our commitment to serving communities like Chino Valley. **What We Build Matters**—not just to us, but to the people who rely on these essential services every day. We would be honored to bring our expertise, passion, and collaborative spirit to this project and work alongside you to achieve long-term success.

Thank you for considering Felix Construction as your CMAR Contractor. We look forward to the opportunity to contribute to this exciting and impactful project. Please don't hesitate to reach out if you have any questions or need additional information.

David Giannetto
Principal / CEO



E: davidg@felixconstruction.com
P: 602.625.4811

A. GENERAL INFORMATION

(2) VENDOR IDENTIFICATION INFORMATION

- ▶ **LEGAL ORGANIZATION:** Felix is a for-profit corporation, incorporated in Arizona in 1987.
- ▶ **ADDRESS:** 2350 S. 52nd Avenue, Phoenix, AZ 85043

(3) PRINCIPAL OFFICE

- ▶ **PRINCIPAL & LOCAL OFFICE:** 2350 S. 52nd Avenue, Phoenix, AZ 85043. 100% of the work will be performed locally. Felix has a dedicated team that operates out of Northern Arizona.



(4) ARIZONA PROFESSIONAL LICENSES

License Number	Class	Qualifying Party	Held By
070935	A- General Engineering	Zach Foster	Felix
083020	B-01 General Commercial	Archie Lopez	Felix
172036	C-11 Electrical	Dana Watts	Felix

(5) GENERAL DESCRIPTION OF THE FIRM/TEAM

Felix Construction Company (Felix) is a general engineering contractor (GC) and construction manager (CM) specializing in water and wastewater infrastructure projects. Incorporated in Arizona in 1987, Felix is a for-profit corporation with decades of expertise delivering innovative and cost-effective solutions.

As a CMAR contractor, Felix is dedicated to maximizing value for clients by anticipating challenges and providing timely, practical solutions. Felix fosters collaboration with engineering and operations teams from project inception to completion, ensuring the successful delivery of every project.

(6) TERMINATIONS AND CLAIMS

Neither Felix nor its officers have been subject to contract terminations, claims, or litigation in its 38-year history.

FELIX BENEFITS

- ▶ **WATER & WASTEWATER CONTRACTOR:** With 38 years in the industry, we have held Alternative Delivery contracts with several municipalities and private developers across Arizona. Our portfolio includes new construction, rehabilitations, improvements, expansions, and modifications for public municipalities, private water companies, and developers. We take pride in our rich history and consistent success in this specialized field.
- ▶ **IN-HOUSE ELECTRICAL:** Felix is the only water/wastewater General Contractor in Arizona with an E/I&C Division and a UL508A Panel Shop under one roof. The UL 508A certification gives Felix the ability to design and build much of the electrical gear and control cabinets used in w/ww projects. In addition, Felix's UL 698A certification allows the team to design and fabricate Intrinsically Safe Control Panels that are installed in hazardous locations.
- ▶ **SELF-PERFORM CREWS:** We believe with our unique blend of talented craftspeople we have the capability to self-perform the major scope items on this project. We also, in the spirit of competition, have the ability to provide the Town with multiple bids in these work categories with Felix competing for the work



We vs. Me



Cares



Ownership



Learner



Problem Solver

A. GENERAL INFORMATION

(7) BONDING STATEMENT



EXPERIENCED • TRUSTWORTHY • RELIABLE

535 E. McKellips Rd
Suite 129
Mesa, AZ 85203-2566

Phone: 480-968-0100
Fax: 480-968-4043

www.cbibonding.com

January 16, 2025

Town of Chino Valley
Public Works Department
1982 Voss Drive
Chino Valley, AZ 86323

Re: Felix Construction Company - Request for Qualifications
Project: Construction Manager at Risk (CMAR) - Construction Services for the Chino Valley
Reclamation Facility Improvements Project; Solicitation No. 2024-0029

To Whom It May Concern:

It is my understanding that our client, **Felix Construction Company**, will be submitting a proposal to you on the captioned project. Please be advised that we have done business with this construction firm for many years and during that time have found them to exhibit a high degree of integrity in all of their dealings, thereby attributing to their success as an excellent contractor.

The line of credit available to **Felix Construction Company** stands in excess of \$50,000,000 per job with an aggregate limit of \$250,000,000, which has been set to meet their day-to-day needs. Should you require performance and payment bonds be provided to you, please be advised that we know of no reason we would not be in a position to issue such bonds. Of course, this is conditioned upon normal underwriting, i.e., review of contract documents, bond forms and project financing. We assume no liability to third parties or to you if for any reason we do not execute said bonds.

Felix Construction Company is a highly valued client of CBI Bonding, Inc. and Travelers Casualty and Surety Company of America, an A++ Rated company with a Treasury Listing of \$ \$224,944,000. **Felix Construction Company** has an excellent relationship with their surety company. We highly recommend them to you.

Should you have any questions or require further information on this client, please do not hesitate to contact me.

Regards,

A handwritten signature in black ink, appearing to read 'G. P. Griffith', is written over a light blue horizontal line.

Gregory P. Griffith, Attorney-in-Fact
TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

GPG:slb



August 6, 2024

RE: Felix Construction
Experience Mod History

This letter will certify the Experience Modification history for Felix Construction:

5/31/24-25	.64
5/31/23-24	.70
5/31/22-23	.81
5/31/21-22	.75

Loss Ratio:

5/31/23-24	.01%
5/31/22 -23	1%
5/31/21-22	6%

Please feel free to call me with any questions you may have.

Sincerely,

Laura Knackstedt

Laura Knackstedt
Client Account Executive
602-393-3423

A. GENERAL INFORMATION

(9) VENDOR INFORMATION FORM

TOWN OF CHINO VALLEY

RFQ 2024-0029

SECTION A

PART 4. VENDOR INFORMATION FORM

By submitting an SOQ, the submitting Vendor certifies that it has reviewed the administrative information and the sample Construction Manager at Risk Agreement's terms and conditions and, if awarded the Agreement, agrees to be bound thereto.

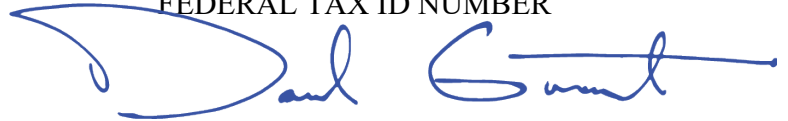
Felix Construction Company

86-0577823

VENDOR SUBMITTING SOQ

FEDERAL TAX ID NUMBER

David Giannetto - Principal & CEO



PRINTED NAME AND TITLE

AUTHORIZED SIGNATURE

2350 S. 52nd Avenue

480.464.0011 / 480.464.0078

ADDRESS

TELEPHONE

FAX #

Phoenix

AZ

85043

1/28/2025

CITY

STATE

ZIP

DATE

www.felixconstruction.com

davidg@felixconstruction.com

WEBSITE

E-MAIL

Arizona Corporation Commission Entity ID is 01938167

ARIZONA CORPORATION COMMISSION FILE NO.

SMALL, MINORITY, DISADVANTAGED AND WOMEN-OWNED BUSINESS ENTERPRISES
(check item(s) as appropriate):

_____ Small Business Enterprise (SBE)

_____ Minority Business Enterprise (MBE)

_____ Disadvantaged Business Enterprise (DBE)

_____ Women-Owned Business Enterprise (WBE)

Has the Vendor been certified by any jurisdiction in Arizona as a minority or woman-owned business enterprise?

If yes, please include details and documentation of the certification.

B. EXPERIENCE AND QUALIFICATIONS

(1) DETAILED EXPERIENCE IN PROVIDING SIMILAR EXPERIENCE - WRF & PROCESSES

Felix Construction Company has 38 years of experience providing specialized construction and improvement services for water and wastewater facilities, including extensive work with municipalities similar in size to the Town of Chino Valley. Felix is a trusted partner in delivering tailored solutions that enhance the performance, capacity, and compliance of water reclamation facilities.

Our expertise includes the construction, and rehabilitation of critical infrastructure components, with a focus on positive client relationships, safe work sites, quality construction, and detailed attention to the specific needs of the project. Felix will partner with Town Leadership, Staff and the Design Engineer to develop a project plan that maximizes construction efficiency, minimizes disruptions to normal plant operations and meets the requirements of WIFA funding.

EXPERIENCE WITH ENTITIES OF COMPARABLE SIZE: Felix has worked extensively with municipalities of varying populations, ensuring that project solutions are appropriately scaled. For example, our work with small and mid-sized communities in Arizona often involves addressing unique challenges. Some of our notable projects include:

- ▶ **KINGMAN DOWNTOWN WWTP:** In 2010, Felix partnered with the City of Kingman to successfully convert an existing lagoon style plant to an MBR process. This project was WIFA funded and one of Kingman's largest CMARs to date. Throughout the project, Felix utilized local subcontractors and laborers to provide vital support to critical aspects of construction.
- ▶ **COTTONWOOD RIVERFRONT WRF:** In 2015, Felix partnered with the City of Cottonwood for the construction of a new conventional treatment plant. This project was WIFA funded and involved several key local subcontractors.
- ▶ **CLARKDALE WWTP:** In 2012, The Town of Clarkdale hired Felix to dismantle an existing conventional treatment plant that they purchased from Pulte Homes, have it rehabilitated and install it at the site of their existing lagoon style plant near the Verde River. This project was WIFA funded and included filling a portion of the existing sludge lagoon to create the necessary space for the relocated plant. Several local vendors and subcontractors were key to the project's success.

Through collaboration, innovation, and an unwavering focus on quality, Felix Construction continues to deliver infrastructure solutions that make a lasting impact for communities across Arizona.

PROVEN TRACK RECORD OF COLLABORATION: Felix is known for its ability to collaborate effectively with municipal staff, engineering teams, and community stakeholders, ensuring seamless communication and project delivery. We take pride in meeting timelines, maintaining budgets, and minimizing disruptions during the course of construction and facility upgrades.

Municipal Water Reclamation Facility Upgrades: Felix has completed comprehensive upgrades to existing water reclamation plants, improving aeration systems, secondary treatment processes, filtration, and disinfection systems. These upgrades have resulted in increased treatment capacity, reduced operational costs, and better effluent quality for compliance with state and federal standards.

What We Build Matters

B. EXPERIENCE AND QUALIFICATIONS

(1) DETAILED EXPERIENCE IN PROVIDING SIMILAR EXPERIENCE - WRF & PROCESSES

KINGMAN DOWNTOWN WWTP / KINGMAN, AZ

- ▶ **EXAMPLE OF EXPERIENCE IN IMPROVING EXISTING WRF & THEIR PROCESSES:** A prime example of Felix's expertise in delivering tailored solutions for municipalities similar in size to the Town is the Kingman Downtown WWTP project. Felix was selected for this 0.62 MGD wastewater treatment plant expansion, which marked the City's first project using the CMAR (Construction Manager at Risk) delivery method.

We specialize in modernizing outdated infrastructure and equipping municipalities with improved systems to better serve their communities. In Kingman's case, the existing 75-year-old lagoon system was upgraded by adding aeration to one lagoon and converting the other into a state-of-the-art MBR (Membrane Bioreactor) system. This transformation significantly enhanced the facility's efficiency and reliability, providing the City with a modern solution to meet its wastewater treatment needs. Additional scope consisted of headworks (flow metering, screening and grit removal), erosion control with soil cement, a 6 barrel box culvert, biofilter for odor control, secondary process, ultraviolet light disinfection, aerated sludge holding and belt filter press dewatering of biosolids, and auxiliary systems such as stand-by generator, plant water system, HVAC for the control building, and a 50 kW photovoltaic power generation system.

- ▶ **CHALLENGES AND OPPORTUNITIES FOR SUCCESS:** In upgrading from 1970s lagoon-style aeration technology, Felix was responsible not only for the construction outlined in the scope but also for the deconstruction, demolition, and decommissioning of the existing aeration ponds, as well as the disposal of the biosolids mass. Before preconstruction began, the City of Kingman had secured an intergovernmental agreement with the Mojave County landfill for the disposal of biosolid materials. Many of the project's schedules, costs, and budgets, incorporated into the final GMP (Guaranteed Maximum Price), relied on access to this disposal site.

However, during the initial weeks of construction, Mojave County notified the City and the Felix team that the biosolids—exceeding 10,000 tons—could not be accepted due to new regulations and criteria recently enacted. This unexpected development had the potential to halt the project entirely, significantly increase costs, and delay the schedule by months.

The Felix team promptly assembled task-force groups, including representatives from the City, County, external experts, and in-house

construction, scheduling, and budget teams, to identify mitigation strategies. Working closely with the design engineers, City, and County agencies, the team explored intergovernmental solutions while simultaneously vetting biosolid handling options and seeking alternative disposal sites.

Ultimately, Felix developed and executed a plan to establish a temporary facility for pressing and compressing the biosolids, coordinating transportation to the nearest disposal facility—168 miles away via US-93. While temporary treatment progressed alongside construction, Felix collaborated with the design and engineering teams, City officials, and facility end users to prioritize project needs, realign phasing, and re-estimate major portions of the scope. **This approach ensured the project's original goals were maintained.**

Through these efforts, Felix recovered nearly three months of lost time and mitigated over \$1 million in potential cost increases, successfully delivering the project on time and within budget. The City of Kingman has since adopted CMAR as their preferred procurement model—a testament to Felix's success on this complex and challenging first waterworks CMAR project for the City.

- ▶ **VENDOR'S ROLE:** CMAR Contractor
- ▶ **DATES OF CONTRACT:** March 2010 - January 2013
- ▶ **CONSTRUCTION COSTS:** \$14.7 M



B. EXPERIENCE AND QUALIFICATIONS

(1) DETAILED EXPERIENCE IN PROVIDING SIMILAR EXPERIENCE - WRF & PROCESSES

COLLABORATION BETWEEN PACE & FELIX CONSTRUCTION

A key process in delivering projects of similar experience is our process of collaboration with all stakeholders including the Engineer.

The partnership between PACE and Felix Construction is a great example of the collaboration we aim to have on every project. As a team, we tackled one of the largest projects ever undertaken in Bouse, Arizona. This was a project of unprecedented scale and significance for the community.

What began as a traditional hard-bid project quickly evolved into a seamless collaboration. The open-book approach fostered a transparent, solution-oriented environment where every challenge became an opportunity to innovate. There was no “contractor versus engineer” mindset. Instead, it was a true partnership, with both teams united in finding practical and efficient solutions for Bouse. The established goal was to provide this community with an efficient water system.

Felix’s Supervisor, Joe Dyer, worked closely with PACE to address constructability challenges in real time. PACE’s willingness to take calls, discuss deviations from drawings, and promptly document solutions ensured the project stayed on schedule without compromising quality.

This mutual respect for each team’s expertise created a highly efficient workflow. PACE’s understanding of construction and appreciation for the crews’ time exemplified the approach that defined the project—one where everyone worked together toward a common goal.



The team discovered they had extra concrete after completing scheduled work. Rather than letting it go to waste, they reached out to the town to see how the material could be used to benefit the community.

In collaboration with PACE, Felix helped pour a concrete slab at a local park, ensuring it was ready just in time for Bouse’s annual Phoenix Children’s Fundraiser. This quick-thinking initiative not only maximized the town’s resources but also supported an event that holds special meaning for the community.

B. EXPERIENCE AND QUALIFICATIONS / (2) SIMILAR PROJECTS



1 BOUSE WATER SYSTEM IMPROVEMENTS / BOUSE, AZ

- ▶ (A) COMPANY/ ORGANIZATION NAME: BDWID
- ▶ (B) REFERENCES:
 - ▶ **PACE ENGINEERING:** Taylor Pierce - E: tpierce@pacewater.com / P: 602.540.2727 / 5155 Venture Parkway, Redding, CA, 96002
 - ▶ **BOUSE WATER:** John Bennett - E: parkguy5156@gmail.com / P: 928.575.7727 / PO Box 334, Bouse, AZ 85325
- ▶ (C) **PROJECT DESCRIPTION & SERVICES PROVIDED:** Felix Construction successfully completed a water infrastructure project for the Town of Bouse, located 60 miles south of Lake Havasu. This project brought significant improvements to the town's potable water source and distribution system, enhancing water quality and system reliability for its 1,200 seasonal residents. The scope of work included drilling a new water well, installing a state-of-the-art water treatment system, and constructing a new operations building. A booster pump system was added near the town center to ensure consistent water delivery, while an entirely new 6-inch water distribution system was installed to replace aging infrastructure. Additionally, a 70,000-gallon storage tank was constructed to meet the community's water needs. Felix also installed 145 radio water meters, replacing the previous manual system that only monitored four meters each month. This upgrade now allows the town to accurately bill residents and track water usage, marking a significant leap in efficiency and functionality. In a historic first for the community, Felix installed Bouse's very first and only fire hydrant, greatly enhancing public safety and emergency preparedness.

The residents of Bouse were actively engaged throughout the process, and their excitement about the improvements was evident. Felix's team found

it incredibly rewarding to witness how their work positively impacted the lives of the residents on such a meaningful scale.

This project not only upgraded Bouse's water system but also laid a strong foundation for future growth and sustainability, ensuring reliable access to clean water for years to come.

- ▶ (D) **VENDOR'S ROLE:** General Contractor
- ▶ (E) **DATES OF CONTRACT:** November 2022 - June 2024
- ▶ **CONSTRUCTION COST:** \$5.7M



Existing Water Infrastructure

RELEVANT CONSTRUCTION SERVICES SIMILARITIES:



Key
Team



Engineer



Federal
Funding
USDA
AIS

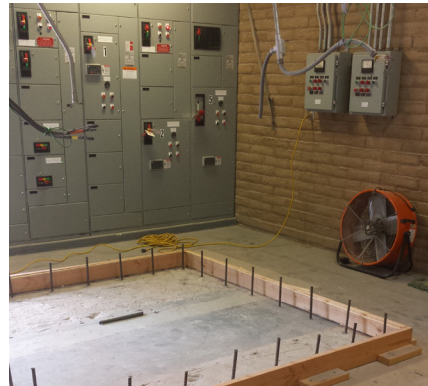


Management
of Site
Operations



Team
Collaboration

B. EXPERIENCE AND QUALIFICATIONS / (2) SIMILAR PROJECTS



2 EPCOR: NORTHWEST VALLEY WATER RECLAMATION FACILITY (NWVWRF) / SUN CITY, AZ

▶ (A) COMPANY/ ORGANIZATION NAME: EPCOR

▶ (B) REFERENCES:

▶ **EPCOR:** Rick Shane - E: rshane@epcor.com / P: 623.445.2451 / 2355 W. Pinnacle Peak Road, Suite 300, Phoenix, AZ 85027

▶ **WATER WORKS ENGINEERS:** John Matta - E: johnm@wwengineers.com / P: 480.661.1742 / 7500 N. Dobson Road, Suite 200, Scottsdale, AZ 85256

▶ (C) PROJECT DESCRIPTION & SERVICES PROVIDED: Felix teamed with WaterWorks Engineers (WWE) on major improvement projects at the EPCOR Northwest Valley Water Reclamation Facility. Our team worked closely with operations staff to develop an understanding of preferences and needs that aided in the progression of projects. Work areas included but not limited to sludge pump, odor control, rehab of clarifier, and chemical system. A significant portion of work was led by Felix's E/I&C Group:

- ▶ 3000 A Main Plant Switchboard and MCC-4 Replacement, MCC-5 Circuit Breakers, and MCC-2 Re-feed cabling
- ▶ SES & ATS upgrade: Critical path upgrade of the Service Entrance Section including the addition of modern "SMART" Automatic Transfer Switch.
- ▶ Headworks Improvements: Felix furnished and installed new electrical systems and instrumentation for the new headworks building which tied-in to existing plant operations.

▶ 750KW Generator Replacement

▶ Blower and Aeration Header Replacement

▶ **(D) VENDOR'S ROLE:** CMAR Contractor
Preconstruction Services including Constructability Review, Value Engineering, Conceptual Estimates, Cost Estimating, and Scheduling.

▶ **(E) DATES OF CONTRACT:** June 2017 - June 2022

▶ **CONSTRUCTION COST:** \$10.1M

RELEVANT CONSTRUCTION SERVICES SIMILARITIES:



Key
Team



Management
of Site
Operations



Team
Collaboration



Related
Infrastructure



Scheduling

B. EXPERIENCE AND QUALIFICATIONS / (2) SIMILAR PROJECTS



3 157TH AVENUE WRF EXPANSION / GOODYEAR, AZ

▶ (A) COMPANY/ ORGANIZATION NAME: City of Goodyear

▶ (B) REFERENCES:

▶ **EPCOR:** Barb Chapell - E: Barbara.Chappell@goodyearaz.gov / P: 623.932.3910 / 1900 N. Civic Square Goodyear, AZ 85395

▶ **WATER WORKS ENGINEERS:** Rob Bryant - E: robb@wwengineers.com / P: 602.909.8191 / 7500 N. Dobson Road, Suite 200, Scottsdale, AZ 85256

▶ (C) **PROJECT DESCRIPTION & SERVICES PROVIDED:** In order to meet the sewage treatment demands of a growing municipality, the city needed to expand the volume of its 157th Ave WTP from 4.0 MGD to 6.0 MGD. The Work for this project included the construction of an influent pump station with accompanying odor control system, an onsite forcemain, replacement of aeration fine bubble diffusers, replacement of sedimentary basin clarifier equipment, the construction of a chlorine contact basin with an effluent pump station, installation of a new centrifuge and solids handling improvements, select demolition, associated electrical and instrumentation, yard piping, grading, bypass pumping and performing related required work. Felix was not only responsible for the construction outlined in the scope above, but the deconstruction, demolition and decommissioning of the existing influent pump station, clarifier equipment, and effluent pump station. It was important that the city was able to maintain its existing operations as we were constructing its new structures and installing the new equipment. During the pre-construction phase, Felix was able to generate cost models for the plant expansion that helped the city maximize their budget yet maintain the engineer's design intent. We provided constructability review feedback to the design engineer and how the project could be sequenced in order to

maintain the plant operations. Once the project was underway, Felix met daily with the plant operations staff to understand its needs and to make sure that our construction sequencing was acceptable to maintain their operations. We developed Maintenance of Plant Operations (MOPO) plans that outlined each segment of our work and how it related to its ability to maintain its operations. We were able to bypass equipment that needed to be replaced and sequenced work during low flow periods in order to limit the exposure during the outages. We brought the new facilities online prior to decommissioning the old, existing facilities.

▶ (D) **VENDOR'S ROLE:** CMAR Contractor
Preconstruction Services including Constructability Review, Value Engineering, Conceptual Estimates, Cost Estimating, and Scheduling at 60%, 90%, and 100% Design Plans. Felix also provided electrical site investigations and evaluation of the electrical and communication infrastructure.

▶ (E) **DATES OF CONTRACT:** June 2019 - September 2020

▶ **CONSTRUCTION COST:** \$14.5 M

RELEVANT CONSTRUCTION SERVICES SIMILARITIES:



Key
Team



Management
of Site
Operations



Team
Collaboration



Related
Infrastructure



Scheduling

B. EXPERIENCE AND QUALIFICATIONS
(2) SIMILAR PROJECTS / (3) PROJECT FROM THE LAST FIVE YEARS



Over the past five years our key team members have been building water and wastewater infrastructure including several projects at Wastewater Reclamation Facilities in Arizona. Felix Construction has been involved in more than 200 projects over the past two years (including JOCs, CMAR,DB) providing construction services in Arizona. Below is a sample list of relevant wastewater projects.

4 WASTEWATER FACILITIES PROCESS CONTROL JOC / PHOENIX, AZ

- ▶ (A) COMPANY/ ORGANIZATION NAME: City of Phoenix
- ▶ (B) REFERENCES: City of Phoenix
 - ▶ CITY OF PHOENIX: Christine Close - E: christine.close@phoenix.gov / P:602.363.2674 / 200 W. Washington St., 8th Floor, Phoenix, AZ 85003
 - ▶ WILSON ENGINEERS: Gus Lopez E: gus.lopez@wilson-engineers.com / P: 602.882.1750 / 1620 W. Fountainhead Parkway, Suite 501, Tempe, AZ 85282
- ▶ (C) PROJECT DESCRIPTION & SERVICES PROVIDED: Felix was selected as the Job Order Contractor six consecutive times (2009, 2013, 2016, 2019, 2021, 2024) by the City of Phoenix for construction services at the 23rd Ave WWTP. To date we have successfully been issued 343 individual Job Orders ranging from a \$13K concrete repair project to a \$2.1M gas sensor upgrade project. **Felix Construction performed within our general construction discipline and E/I & C disciplines.**
- ▶ (D) VENDOR’S ROLE: Job Order Contractor / Prime Contractor
- ▶ (E) DATES OF CONTRACT: June 2019 - June 2024
- ▶ CONSTRUCTION COST: \$24,995,260



Key Team



Management of Site Operations



Team Collaboration



Related Infrastructure



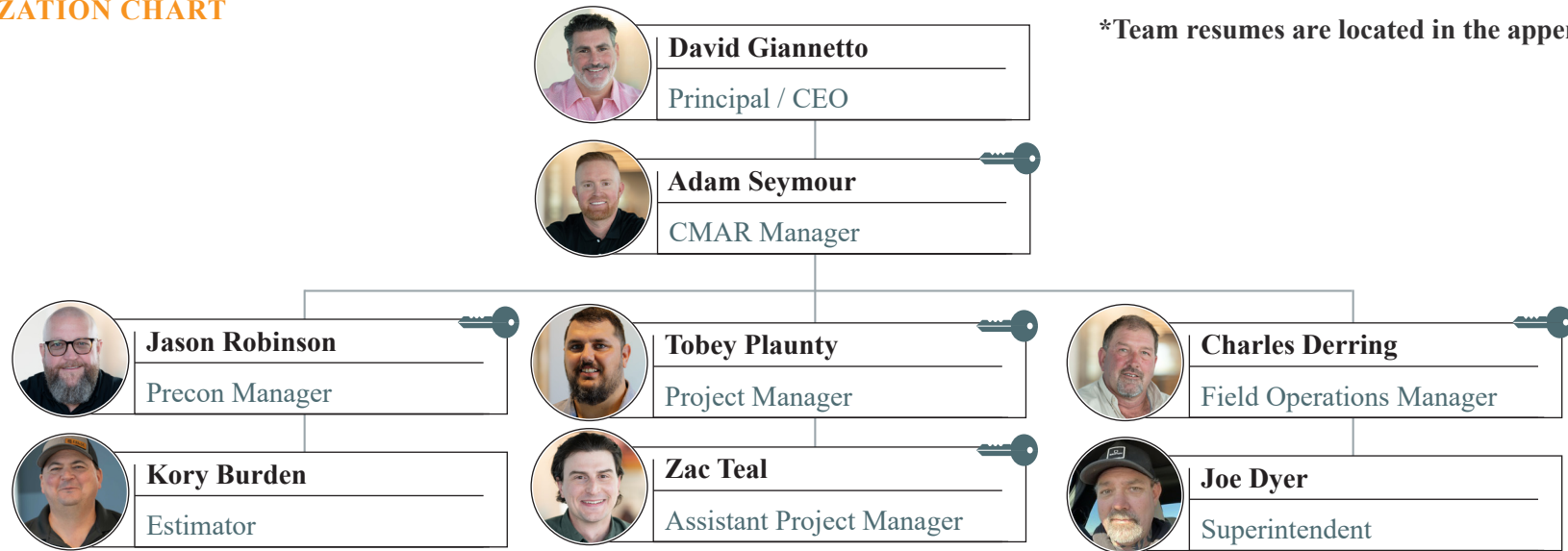
Scheduling

PROJECT NAME		Procurement Method
1	Kingman Downton WWTP	CMAR
2	Goodyear 157th Ave WRF Expansion	CMAR
3	Phoenix 23rd Avenue WTP	JOC
5	Camelback Core BPS	CMAR
6	Clarkdale WRF Expansion	CMAR
7	Cottonwood WRF	CMAR
8	Buckeye Sun City Festival WWTP	CMAR
9	Surprise SPA 1 Improvements	CMAR
10	Surprise SPA 2	CMAR
11	Rainbow Valley WRF Expansion	CMAR
12	EPCOR Verrado WWTP	CMAR
13	EPCOR Anthem	CMAR
14	EPCOR NWVWTP	CMAR
15	SPA 1 Capacity Improvements	CMAR
16	Goodyear Rainbow Valley WRF	CMAR
17	Buckeye Sundance WRF Rehab	CMAR
18	Kingman W/WW JOC	JOC
19	Avondale CM Wolf Odor Control	CMAR
20	Buckeye Industrial Park Lift Station	CMAR
21	Peoria W/WW JOC	JOC
22	Archer Western Copper Basin WRF Structures	Subcontractor
23	Lift Station 77	CMAR
24	Rauch Interim Lift Station	CMAR
25	EPCOR Copper Basin Regional Lift Station	CMAR

C. KEY POSITIONS

(1) IDENTIFY EACH KEY PERSONNEL / (2) INDICATE ROLES & RESPONSIBILITIES (5) HOME OFFICE / FELIX TENURE / % TIME

ORGANIZATION CHART



Key Personnel	Role	Felix AZ Office	% Work Local - Town of Chino Valley	Years at Felix	Years in Industry	Northern AZ Team	WIFA / Government Funded Project Experience	Bouse Water System Improvements	EPCOR NWVWRF	Goodyear	Clarkdale AZ WWTP	Cattail Cove WTP	Kingman W&VW JOC	EPCOR Unit 17	Forestar Moonlight LS	City of PHX 23rd Ave WWTP JOC
 Jason Robinson	Precon Manager	✓	10%	4	29	✓	✓	✓			✓	✓	✓	✓	✓	✓
 Kory Burden	Estimator	✓	10%	12	28	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
 Adam Seymour	CMAR Manager	✓	10%	2	16	✓	✓					✓	✓	✓	✓	
 Tobey Plaunty (Local - On site)	Project Manager	✓	100%	1	17	✓	✓					✓	✓	✓		
 Zac Teal	APM	✓	40%	7	7	✓	✓	✓				✓			✓	✓
 Charles Derring	Field Ops Manager	✓	10%	16	31	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
 Joe Dyer (Local - On Site)	Supervisor	✓	100%	5	31	✓	✓	✓				✓	✓	✓	✓	

C. KEY POSITIONS

(3) SUBCONTRACTOR USAGE & PLAN FOR SUPERVISION

SUBCONTRACTOR USAGE

Felix is able to perform 85% of the work on projects of this type, but may utilize subcontractors in this program in order to expedite the schedule and provide the Town the most competitive pricing and the best contractor for the work. This will provide additional value for the Town during the CMAR process. Felix will work with the Town to select these firms based upon our Subcontractor Selection Plan and will contract with SBE firms if they are the most qualified. All subcontractors and subconsultants will be selected through our Subcontractor Selection Plan as outlined in Section D.3.

SUPERVISION PLAN

Charles and Joe will act as the primary points of contact for all subcontractors on the project, providing onsite supervision to ensure both safety and quality standards are upheld. They will work closely with each subcontractor's foreman to maintain alignment with project requirements and ensure all subcontractor work is seamlessly integrated into the overall project schedule.

All subcontractors will participate in pre-project safety training and daily morning huddles, ensuring a shared commitment to safety and collaboration. Subcontractors will adhere to the same inspections, reviews, and approval processes as Felix's self-perform crews, guaranteeing that their work meets all project specifications and quality standards.

To maintain transparency and accountability, subcontractors will submit daily progress logs and participate in weekly project reviews. Any issues that arise will be promptly escalated to the project manager, who will collaborate with the subcontractor to address them efficiently, ensuring the project remains on schedule and within specifications.

85%
**SELF-PERFORM
CAPABILITIES**



D. PROJECT UNDERSTANDING & APPROACH

(1) PROJECT MANAGEMENT APPROACH, TEAM ORGANIZATION, AND APPROACH TO PERFORMING SERVICES

PROJECT MANAGEMENT APPROACH

At Felix, our project management approach is centered on proactive problem-solving, attention to detail, and meticulous planning, which is the driving force of our approach to managing CMAR construction. We know the role of a CMAR necessitates a high level of flexibility, an openness to constant change, and a strong sense of discipline. Given that many of our projects occur within existing water production facilities, we know how to adhere to strict protocols to safeguard the town’s assets and public safety. Effective coordination is paramount, and our CMAR Manager Adam Seymour will work closely with the Town’s Plant Staff, the Engineer, and the Town’s assigned PM.

Our project management team understands that avoiding project pitfalls is crucial to the success of any project. As such, we prioritize early identification and correction of potential issues before they escalate. This begins in preconstruction with a detailed project plan outlining the scope, objectives, and alignment with the client’s needs and expectations. Having a clear understanding of the project before it starts is key to ensuring that the project is completed on time and within budget.

TEAM ORGANIZATION

Felix’s team is comprised of a CMAR Manager, Project Manager, Assistant Project Manager, Precon Manager, Estimator, and Superintendent who have previously collaborated effectively on comparable projects. This team will be entrusted with executing our management strategy to ensure that both the Town and Felix benefit from their expertise. Consistent with our approach, the same group of key personnel will be assigned to your project throughout its various stages, including design, preconstruction, construction, and project closeout, ensuring continuity in management.

PARTNERING

At Felix, we embrace partnering as an integral part of our project management methodology. Over the years, Felix has been called upon to take a leadership role in uniting engineers, equipment manufacturers, and specific subcontractors, facilitating the rapid and efficient progress of various projects. These collaborative partnerships often necessitate the utilization of Felix’s financial stability to achieve the desired results.

MOPOS

To prevent unplanned service disruptions during the construction phase, our team will develop detailed Maintenance of Plant Operations (MOPO) documents for critical tie-ins, shutdowns, and startups. These documents will be submitted to the Project Team and facility staff for review and approval. Each MOPO will meticulously detail construction activities down to the minute and include backup emergency plans as necessary. *An example is on the following page.*

WORK PACKAGES

All of our project managers are well-versed in AutoCAD and produce work packages throughout the project. Work packages integrate the engineered drawings, structural requirements, approved submittals, operational clearance, and safety considerations for the field personnel to use while building the work. Our team will develop discipline-specific work packages in an effort to avoid conflicts between civil, concrete, mechanical, electrical, and instrumentation work. The work packages are developed by our PM/PE, double checked, and then sent to all parties for review and sign-off. *An example is on the following page.*



PRECONSTRUCTION PHASE
COMMUNICATION



WEEKLY UPDATE EMAILS



IN PERSON PROGRESS MEETINGS



CONTINUOUS OPEN COMMUNICATION



DESIGN REVIEW AND COST MODEL WORKSHOPS IN PERSON



SUBMITTAL WORKSHOPS - TEAMS & IN PERSON



CONSTRUCTION PHASE COMMUNICATION



CONTINUOUS OPEN COMMUNICATION



IN PERSON CONSTRUCTION PROGRESS MEETINGS



DAILY ONSITE PROJECT TEAM



MOPO DEVELOPMENT & REVIEW MEETINGS IN PERSON

Felix Construction | Town of Chino Valley Water Reclamation Facility Improvements Projects

Page 628 of 686

D. PROJECT UNDERSTANDING & APPROACH

(1) PROJECT MANAGEMENT APPROACH, TEAM ORGANIZATION, AND APPROACH TO PERFORMING SERVICES

EXAMPLE MOPO AT CITY OF SURPRISE SPA1 WRF (CMAR)

Recently our team at the City of Surprise SPA1 Water Reclamation Facility successfully executed a shutdown of the effluent pump station in order to install temporary bypass piping to divert flows and remedy pipe settling on the plant’s main effluent offsite distribution line.

The nearest isolation valves on this line are miles off site, so in order to install the bypass piping system, we needed to drain/pump an estimated 500,000 gallons through two discharge locations. Once the distribution line was drained, Felix’s crew along with our bypass piping subcontractor connected the temporary piping to allow this line to remain in use while our team addressed the area of this line that was settling.

Additionally, Felix E/I&C installed a temporary flowmeter allowing plant staff to accurately track flow totals as the permanent flow meter needed to be isolated to complete our scope.

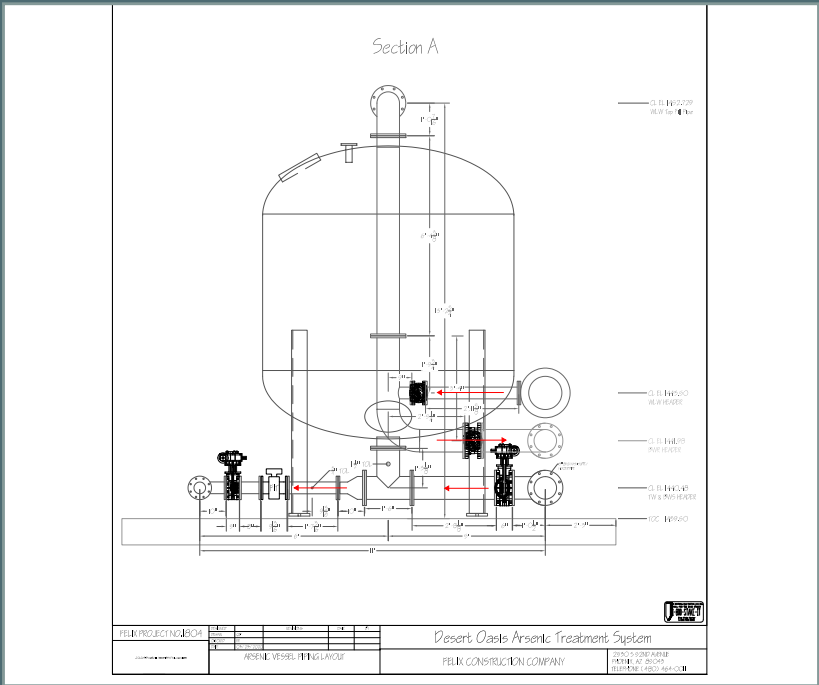
This shutdown was carried out flawlessly, minimizing disruptions to end users and ensuring no disruptions to the plant process. Due to demand from the City’s reclaimed water customers, this shutdown duration was restricted to 48 hours to drain/pump this line and install the temporary bypass piping. With proper calculations and planning, the line was back in service in 42 hours.



EXAMPLE OF A FELIX WORK PACKAGE.

BENEFITS:

- ▶ Single document that includes all the project’s field-verified dimensions.
- ▶ Checked and verified by the Felix Project Superintendent.
- ▶ Results in minimal errors in the field.



D. PROJECT UNDERSTANDING & APPROACH

(2) SIGNIFICANT ISSUES

ISSUE 1 **Issue: WIFA State Revolving Fund –** Construction projects funded by the Water Infrastructure Finance Authority of Arizona (WIFA) come with unique challenges and considerations to ensure compliance with funding requirements and successful project execution. These projects involve strict adherence to state and federal regulatory standards, including environmental reviews, Davis-Bacon wage requirements, and Buy America provisions. Meeting these requirements demands meticulous planning, documentation, and coordination with regulatory agencies. Additionally, WIFA-funded projects may have specific timelines and milestones that must be achieved to maintain funding eligibility, requiring efficient project management and scheduling.

SOLUTION: Collaboration with Town Staff, Consultants, and Design Engineers is critical to maintain transparency and protect public interests. Successfully navigating these challenges ensures that the project will meet its goals while leveraging WIFA funding effectively. As detailed in the solicitation documents, this project is being phased in order to maximize the use of WIFA's State Revolving Fund. During preconstruction, Felix will work closely with the project team to maximize the scope of work in each phase by providing accurate and thoughtful Cost Models utilizing local suppliers, subcontractors and labor whenever possible.

ISSUE 2 **Issue: Labor and Subcontractor Involvement –** Felix has partnered with municipalities throughout northern and western Arizona to complete numerous water and wastewater projects. We understand that at times there can be challenges in getting the right amount of skilled labor or subcontractors to successfully execute a project of this nature.

Solution: As noted previously, Felix is very experienced working with municipalities similar in size to Chino Valley. In order to maximize the amount of local labor and subcontractor involvement, we will solicit a list of qualified local subcontractors from Town Staff and hold a Project Overview Meet & Greet event to gauge interest and begin developing relationships. We will also look to hire supplemental labor locally when possible. These efforts will ensure that we can maximize the project budget and be a benefit to the local economy. Because the Town is located almost exactly equidistant from our hubs in both Phoenix and Kingman, we have assembled a project management team from both areas. This will give the Town the attention it deserves throughout the project.

ISSUE 3 **Issue: Site Laydown and Staging –** On most operational facilities, space for construction trailers, parking, laydown & staging is at a premium. Fortunately, the Town has the foresight to expand the footprint of the plant in 2023.

SOLUTION: Felix has put together a preliminary site plan to demonstrate how we propose to organize the site during construction. This site plan suggests areas for trailers, lay down, and construction material staging as well as potential access points that will reduce the impact of construction on day-to-day operations. *Please see page 17 for the site plan.*

ISSUE 4 **Issue: Geotechnical Challenges –** It is understood that the clay soils in the area will necessitate over excavation and import of suitable fill material for the construction of the new EQ Basins. This requirement will drive the cost and the schedule of these basins.

Solution: Once the Geotechnical Report is completed, our project team will look for

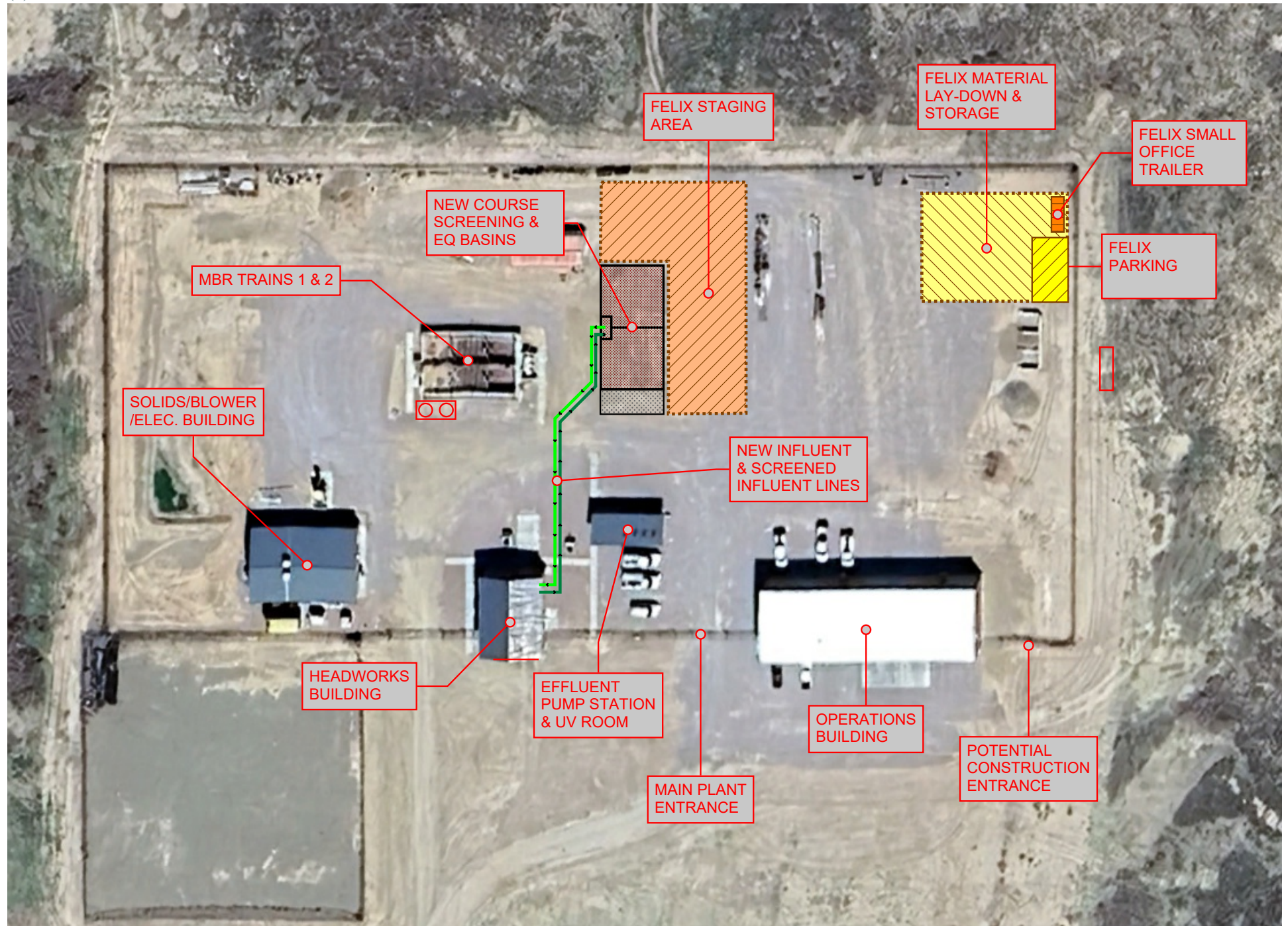
cost effective ways to meet the geotechnical requirements. This may include local materials or alternate methods that may prove advantageous to the project cost and/or schedule. If any of these alternatives are deemed appropriate, our expert civil and concrete crews will follow all requirements precisely to ensure that the structure is constructed correctly.

ISSUE 5 **Issue: Grading and Paving Improvements –** Currently the topography of the plant creates sheet flows across the site from east to west. As the site fence is chain link, flows from outside the plant also enter the site and flow across plant. The 30% Design Proposes grading and paving improvements to direct flows around the plant which will reduce erosion and improve site access during and after rain events and generally provide protection to the process.

SOLUTION: Felix is well versed in helping clients and engineers explore options to make grading and paving more affordable. The current plan to create a swale around the main part of the plant looks to provide a solution to the sheet flow issue. While the plan doesn't currently detail the material for the improved roads around the site, Felix will evaluate the most cost effective and durable paving surfaces available. On recent projects, we have been able to find considerable savings by placing asphalt only at areas of high or heavy traffic and where trucks turn around for pick up or delivery. In standard travel areas, we suggest decomposed granite, stabilized granite or millings. This can be a great opportunity for Town departments to collaborate as well. On a recent project, we were able to obtain millings from a road improvement project nearby which helped both projects.

D. PROJECT UNDERSTANDING & APPROACH

(2) SIGNIFICANT ISSUES



D. PROJECT UNDERSTANDING & APPROACH

(2) SIGNIFICANT ISSUES / (3) SUBCONTRACTOR SELECTION PLAN

INNOVATIVE IDEAS: *Please reference the graphic on page 19.*

- ▶ **ALTERNATE LOCATION OF EQ BASINS:** In an effort to reduce cost to the project, we believe that the EQ Basins could be located at the front of the plant between the Headworks Building and the Operation Building. This will reduce the length of underground pipe needed to get flows into and out of the basins by approximately 300 linear feet and simplify construction by eliminating the need to cross existing pipelines and ductbanks which will help avoid unplanned interruptions to normal operations during construction.
- ▶ **ALTERNATE SIZE OF EQ BASINS:** Because the existing soil conditions are a major cost factor and may impact the longevity and soundness of the EQ Basin structure, we have evaluated the idea of making the EQ Basins bigger and more shallow. Basins that are approximately twice as wide could reduce the depth 6 to 7 feet and still maintain the required volume. This option may reduce or eliminate the need for extensive over-excavation and structural fill which could allow for more flexibility in the project budget.
- ▶ **ODOR CONTROL BOHN BIOFILTER:** The current plans include two small stand-alone odor control units at the Headworks and Solids Building. There is a smaller fenced area formerly for solar panels that provides the perfect location for an in-ground Bohn Biofilter to handle Odor Control at these two buildings. While these biofilters may have a higher initial cost, they allow for long term, low maintenance odor control and can be easily scaled as the need arises.

SUBCONTRACTOR SELECTION PLAN

Felix will select major subcontractors based on qualifications alone, or a combination of qualifications and price, but not on price alone (in accordance to ARS §34-603 and ARS §41-2578). Felix requires that all subcontractors first go through our pre-qualification process. This process evaluates the financial stability, bonding capacity, safety record, and takes into consideration the experience of work on similar projects as well as our past work experience with the subcontractor. Typically, we select subcontractors based on a combination of qualifications and price.

We will select on qualifications alone if:

- ▶ Design assistance is needed during the preconstruction phase
- ▶ Proprietary services or products are required
- ▶ Accelerated project schedule is necessary

Outside of the scopes specifically identified for qualification selection, subcontractors will be selected through our process outlined in the **Subcontractor Selection Process**.

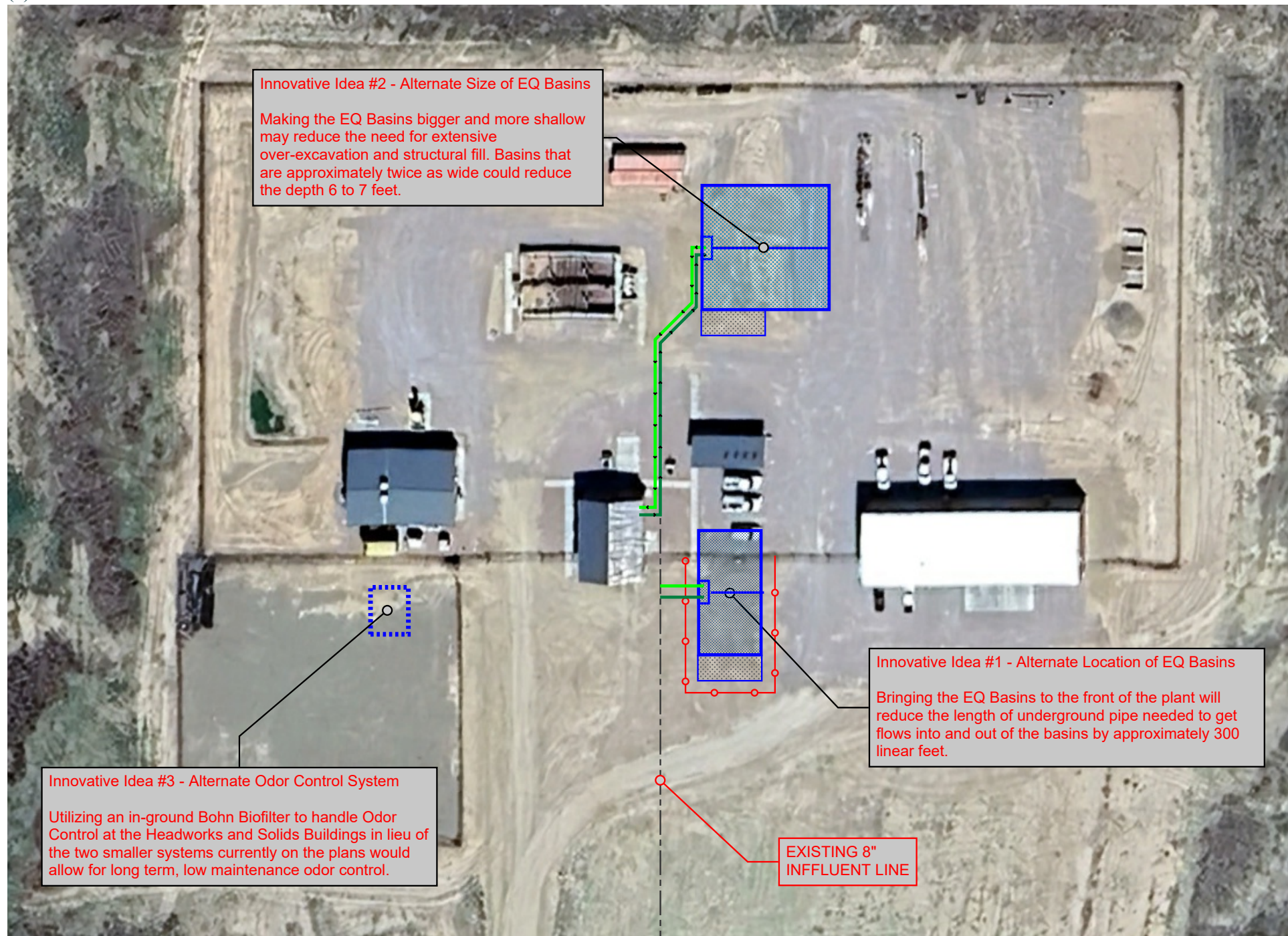
Once the subcontractor meets these criteria they become part of the Felix Construction build team. Together we deliver projects of the highest quality and within the time frame desired by the Town.

SUBCONTRACTOR SELECTION PROCESS

1.  Analyze project scope for subcontractor needs
2.  Identify scope for qualifications only and combination of qualifications/price
3.  Submit list of pre-qualified subs to the Town for approval
4.  Solicit approved subcontractors
5.  Evaluate SOQs and/or bids to review with subcontractors for completeness
6.  Prepare subcontractor summary with award recommendation and submit to the Town of Chino Valley.
7.  Issue contracts to selected subcontractors

D. PROJECT UNDERSTANDING & APPROACH

(2) SIGNIFICANT ISSUES



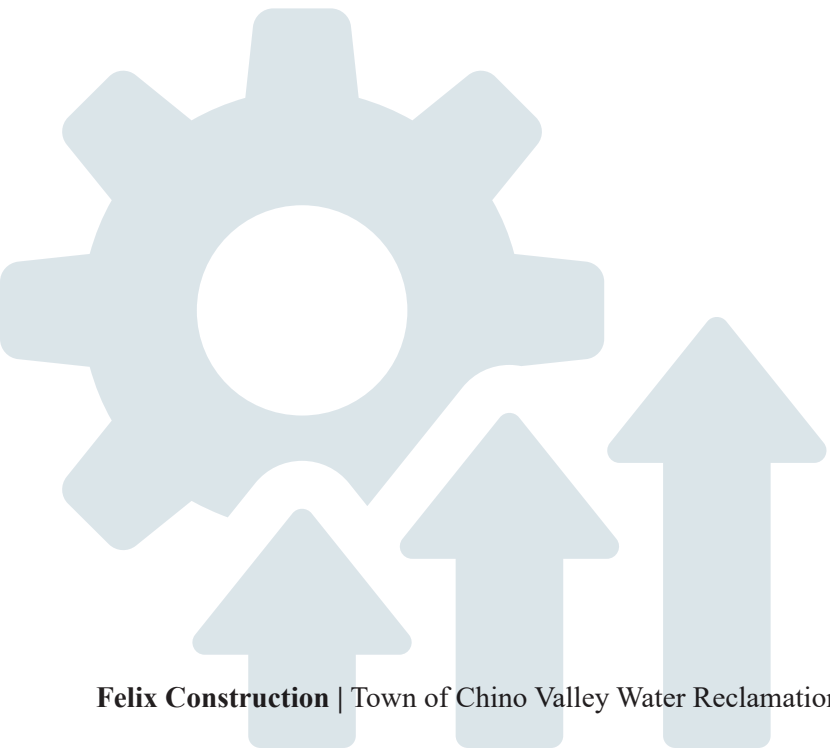
D. PROJECT UNDERSTANDING & APPROACH

(4) SYSTEMS FOR PLANNING, SCHEDULING, ESTIMATING, AND MANAGING CONSTRUCTION

Felix's goal as the CMAR Contractor is to perform our work in the best interest of the Town of Chino Valley. We have developed a wide array of planning, scheduling, management, and budgeting processes that consistently lead to successful CMAR projects.

- ▶ We will identify potential issues early, and develop creative solutions.
- ▶ Scoping meeting to develop a matrix of tasks and responsibilities.
- ▶ Provide open book estimating and cost modeling using our in-house cost modeling system.
- ▶ Our team will review construction issues early in the project in order to eliminate potential lost time or increased cost.
- ▶ Development of a preliminary milestone schedule. Updates to schedule as the project progresses.
- ▶ With our 5-week look-ahead schedules, communication, and work packages, Felix is able to resolve any potential issues upfront before it goes to the field.

SOFTWARE SYSTEMS	
DESIGN	
Auto Cad	Panel Design, conduit layout, instrumentation, layouts, work packages, rack layouts
Schneider Electric/ Modicon & Allen Bradley Programming	IO checks and perform factory acceptance tests. (Felix Electrical Group)
Schnieder Electric, Allen Bradley, Eaton, Yaskawa, WEG, and Toshiba VFD	Install, setup, test, and trouble shoot VFDs (Felix Electrical Group)
SCHEDULING	
Microsoft Project	Track long-lead materials and construction modifications.
5-Week Look Ahead	Accurately plan materials, decisions, and manpower.
ESTIMATING	
ProEst 	Create standardized proposal forms, perform digital takeoffs, manage cost databases, invite subcontractors to bid, manage and share project documents, and manage bids.
Bluebeam 	Define and clarify the scope of the project, review constructability, bidability, and add value engineering comments. Redline existing drawings, implement photographs, aerial/Google earth images, etc., to demonstrate the proposed scope of work.
Building Connected 	Leverage the largest subcontractor network in the construction industry to manage our subcontractor bid process. We are able to solicit subs, compare bids, and manage the process all through the online system.
MANAGING CONSTRUCTION	
Trimble Project Sight 	Construction management software - single source of collaboration and information.



D. PROJECT UNDERSTANDING & APPROACH

(4) QUALITY CONTROL, DISPUTE RESOLUTION, AND SAFETY MANAGEMENT / (5) PROJECT SCHEDULE

QUALITY CONTROL

At Felix, we prioritize quality workmanship by providing ongoing training and education to our entire team, from our newest field laborers to our company's leadership. This commitment to continuous training equips our team members with the necessary tools to consistently deliver projects to the highest standards. Furthermore, we implement a comprehensive three-tier quality control plan on all projects, which encompasses field quality inspections and meticulous document reviews to ensure accuracy and compliance with the latest methods and materials. Our project superintendents and QC team conduct daily on-site inspections, facilitating early issue resolution and cost savings. Adam Seymour, Tobey Plaunty, Charles Derring, and Joe Dyer are dedicated to enhancing project quality through precise work packages, contributing to an improved overall project experience.

Quality Control

01

01. SUBCONTRACTOR/ SUPPLIER SELECTION

Selecting well-qualified subcontractors and suppliers that have repeatedly delivered on quality, safety and performance.

02

02. EXPERIENCED EMPLOYEES

Quality work starts with our team. All employees are continually educated on owner standards and efficiency. Qualified workers will complete each task.

03

03. CHECKS AND BALANCES

At Felix, we are continually checking the quality of our work. This means daily, on-site quality checks by our Superintendent and Project Manager. Should a question of quality ever arise, it will be quickly escalated until it is worked through and resolved.

DISPUTE RESOLUTION

Felix rarely has disputes on projects, as our thorough work packages identify problems well in advance and prevent most issues during construction. However, should any disputes arise, we believe they should be handled and resolved by the parties closest to the issue, as they are the most capable of finding a fair and equitable resolution. Having upper management on the team also eliminates any need to advance concerns to higher management levels. **Our process has resulted in 38 years as a company without a claim.**

SAFETY MANAGEMENT

Felix's primary goal is to provide a safe working environment for our employees and subcontractors. We have achieved this goal by:

- ▶ Fostering a Culture of Safety First.
- ▶ Proper Planning for both Known and Potential Hazards
- ▶ Employee Safety Training
- ▶ Selecting Subcontractors who Share our Goal of Providing a Safe Working Environment
- ▶ Pre-Job Conferences to Review Subcontractor Safety Programs
- ▶ Project Superintendent Inspecting the Work-in-Progress Daily
- ▶ Correcting Potential Hazards



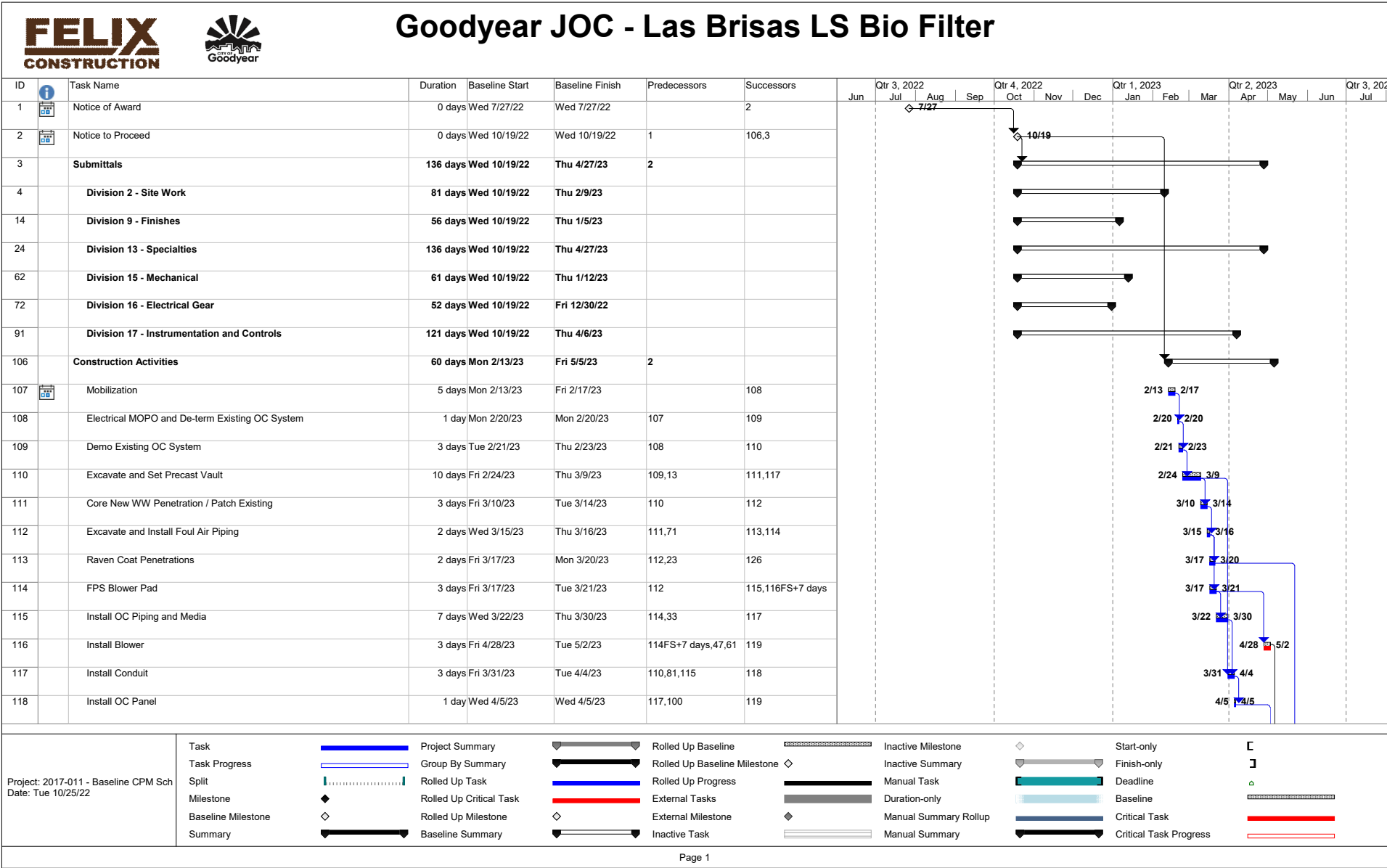
PROJECT SCHEDULE

When creating a baseline schedule, we consider several key factors and assumptions to establish a realistic starting point:

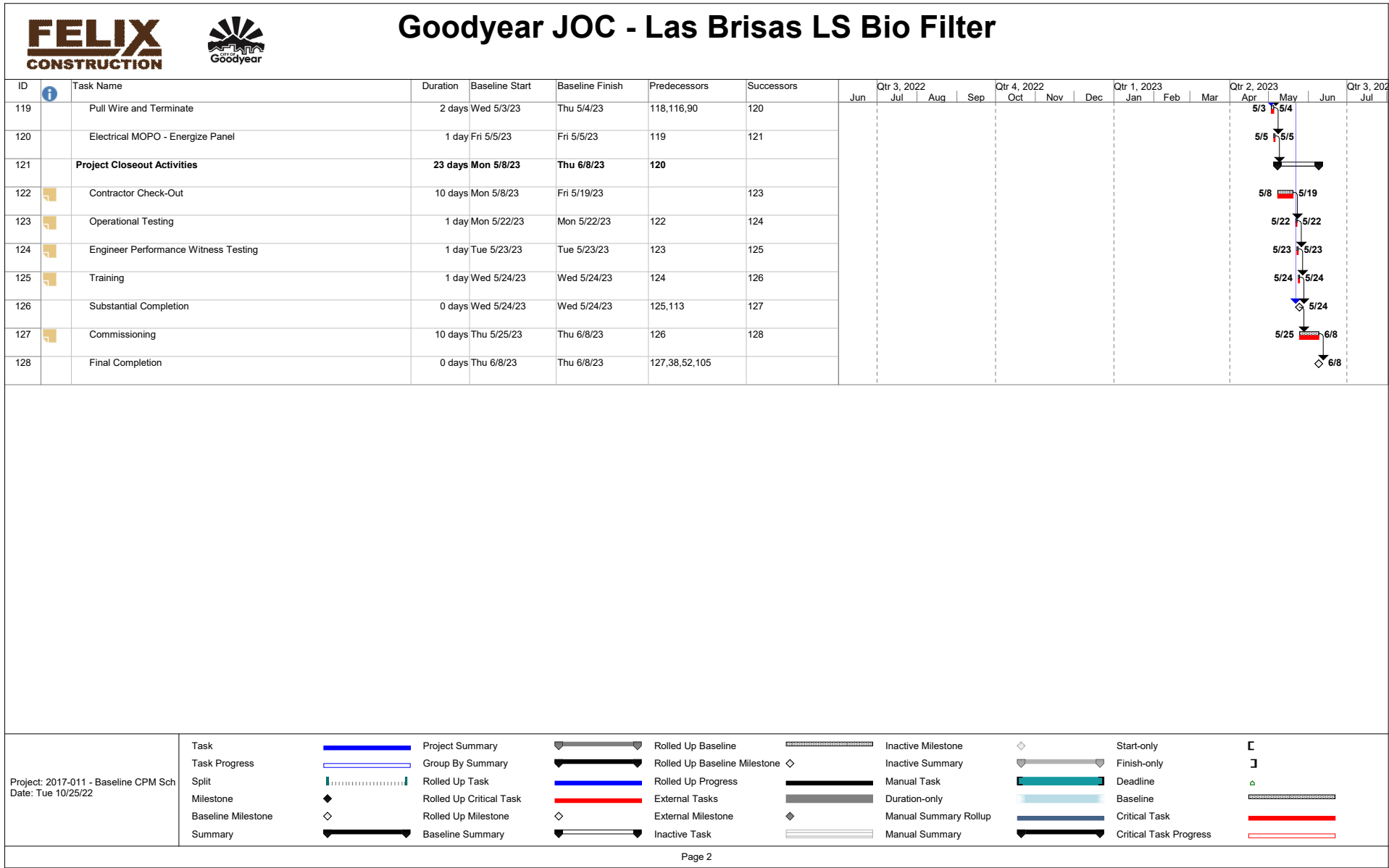
- ▶ **WEATHER:** While the schedule cannot account for unpredictable weather conditions, it assumes continuous work without weather-related delays.
- ▶ **PERMITTING:** We assume permitting review periods occur within reasonable timeframes and permits are obtained promptly.
- ▶ **TRADE PARTNERS:** The schedule assumes trade partners meet their deadlines without delays in materials or labor.
- ▶ **ELECTRICAL COMPONENTS:** Electrical components are expected to adhere to production schedules without delays.
- ▶ **UTILITY CONFLICTS:** No issues are anticipated with utility conflicts during excavation or other construction phases.
- ▶ **DESIGN STABILITY:** The schedule assumes no design changes or additions to the project scope.
- ▶ **SITE ACCESS:** Unimpeded access to and availability of the work area are assumed throughout the project.

This baseline schedule is then reviewed collaboratively with the client and engineer to ensure it aligns with project goals and constraints, resulting in the most effective plan for the project.

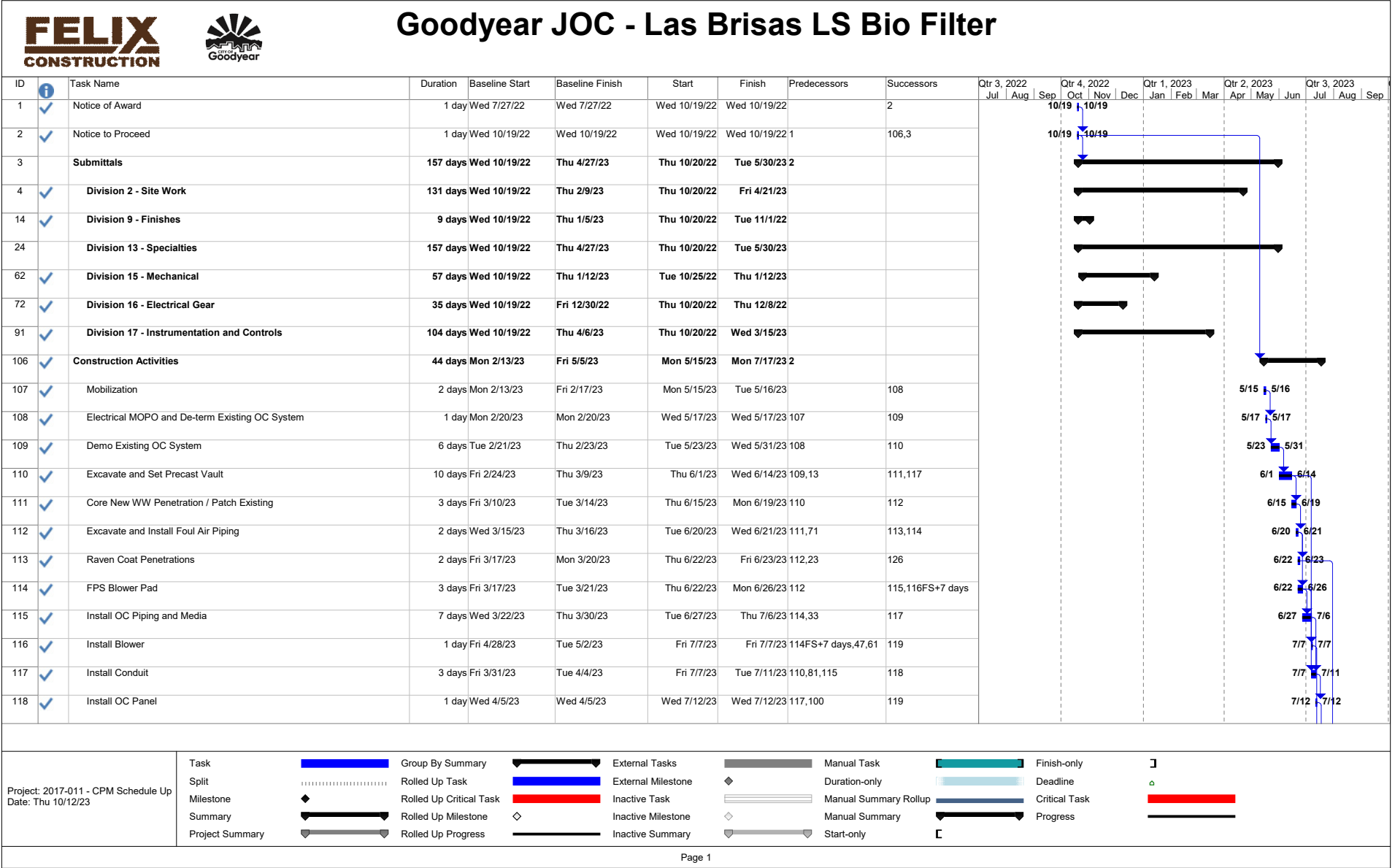
D. PROJECT UNDERSTANDING & APPROACH
(5) PROJECT SCHEDULE



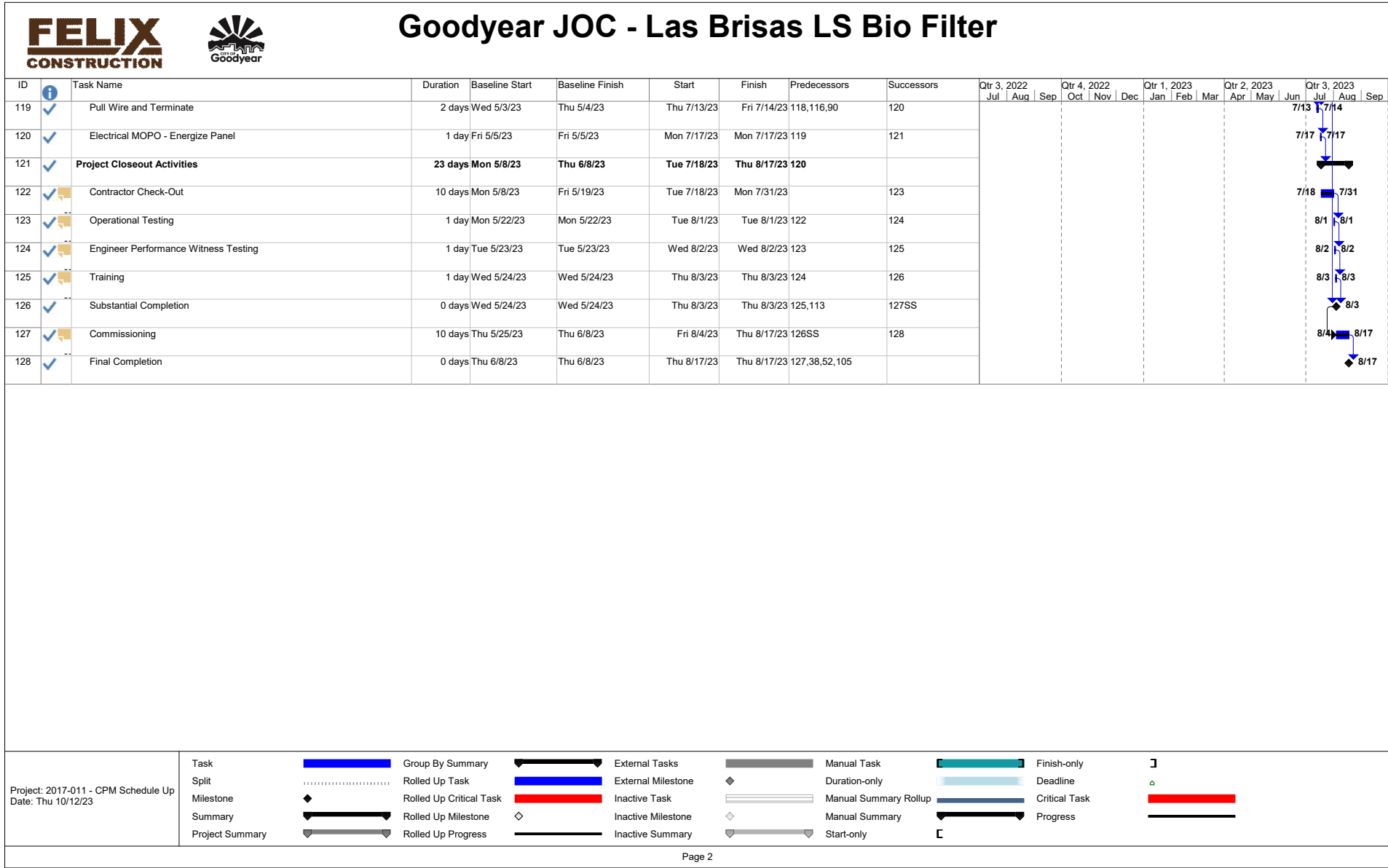
D. PROJECT UNDERSTANDING & APPROACH
(5) PROJECT SCHEDULE



D. PROJECT UNDERSTANDING & APPROACH
(5) PROJECT SCHEDULE



D. PROJECT UNDERSTANDING & APPROACH
(5) PROJECT SCHEDULE





RESUMES



FELIX CONSTRUCTION

HOME OFFICE: Arizona

2 Years with Felix

16 Years Total Experience

EDUCATION:

- ▶ B.S. Construction Management
University of Nebraska Lincoln

TRAINING &

CERTIFICATIONS:

- ▶ AZ Water Association -
Leadership Training through
Rockstar Workforce

PERCENT OF WORK DONE LOCALLY:

- ▶ 10% (Chino Valley)
- ▶ 90% (Felix Office)

ADAM SEYMOUR

CMAR MANAGER

As a highly experienced project manager with over sixteen years of expertise in the industrial, water, and wastewater industries, Adam will be an invaluable asset to the City. He can provide a comprehensive and unique perspective that adds value to both preconstruction and execution. Adam's ability to implement project plans and maintain clear communication throughout the project ensures that there are no surprises, and he is committed to finishing projects on time, within budget, and with the highest quality standards. Adam's experience includes Chino Valley SR-89 Highway Widening. This project widened the existing road from 2 to 4 lanes between Road 1 South and Road 4 South. The scope of work included all underground utilities and construction of a roundabout. This was the first CMAR project for ADOT. Adam is well versed in guiding clients through the CMAR process and ensuring them the best value.

Notable Projects:

- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ Kingman W & WW Treatment Plant Facilities JOC, Kingman, AZ
- ▶ EPCOR Unit 17 Res Replacement Willow Valley, AZ
- ▶ Well 21 Test Drilling, Tempe, AZ
- ▶ KMGC RW4 Drill & Test, Tempe, AZ
- ▶ KMGC RW3 Drilling, Tempe, AZ
- ▶ KMGC RW2 Drill & Equip, Tempe, AZ
- ▶ SRPMIC Well Abandonment Program, Multiple Locations, AZ
- ▶ Lucid WWTP, Casa Grande, AZ
- ▶ Forestar Moonlight Lift Station, Maricopa, AZ
- ▶ FPS Tempe Rural Rd Vaults, Tempe, AZ
- ▶ *Deer Valley Water Treatment Plant Reservoir, Phoenix, AZ
- ▶ *Loop 202 South Mountain Freeway, Phoenix, AZ
- ▶ *Midtown Express SH 189 Managed Lanes, Dallas, TX
- ▶ *Chino Valley SR 89, Chino Valley, AZ

- ▶ *Previous Firm

RESUMES



FELIX CONSTRUCTION HOME OFFICE: Arizona

4 Years with Felix

29 Years Total Experience

- ▶ Felix Extended Leadership Team

EDUCATION:

- ▶ Business Management
University of Phoenix

TRAINING & CERTIFICATIONS:

- ▶ PMP (Project Management Professional) - Project Management Institute
- ▶ VMA (Value Methodology Associate) - SAVE International
- ▶ ENV SP (Envision Sustainability Professional) - Institute for Sustainable Infrastructure

PERCENT OF WORK DONE LOCALLY:

- ▶ 10% (Chino Valley)
- ▶ 90% (Felix Office)

JASON ROBINSON

PRECONSTRUCTION MANAGER

Jason has over 29 years of experience providing oversight and management of water and wastewater projects. As the preconstruction manager, Jason specializes in working with clients and project stakeholders to help develop comprehensive plans for construction projects, from initial concept to final design. He will provide invaluable insight and help steer the decision for systems selection and material procurement. Jason's ability to develop and manage a successful preconstruction process combined with his knowledge will set the foundation for a smooth and efficient construction process for the Town.

Notable Projects:

- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ Kingman W & WW Treatment Plant Facilities JOC, Kingman, AZ
- ▶ Kingman Downtown Wastewater Treatment Plant, Kingman, AZ
- ▶ 23rd Avenue WWTP, Phoenix, AZ
- ▶ EPCOR Unit 17 Res Replacement Willow Valley, AZ
- ▶ EPCOR NWVWRF, Sun City, AZ
- ▶ Surprise SPA 1, Surprise, AZ
- ▶ Surprise SPA 2, Surprise, AZ
- ▶ Rainbow Valley WRF Phase I (Precon), Goodyear Valley, AZ
- ▶ CM Wolf WRF Odor Control, Avondale, AZ
- ▶ Merit Partners - Buckeye Industrial Park Lift Station, Buckeye, AZ
- ▶ Forestar - Moonlight Lift Station, Maricopa, AZ
- ▶ Jen Partners - Sienna Hills Sewer Lift Station, Buckeye, AZ
- ▶ EPCOR Copper Basin Lift Station, SanTan Valley, AZ
- ▶ Peoria JOC Water and Wastewater Treatment and Remote Facilities, Peoria, AZ
- ▶ Buckeye Odyssey Well & Transmission Line, Buckeye, AZ
- ▶ Ventana Ranch Well, Buckeye, AZ
- ▶ Groundwater Well JOC, Phoenix, AZ
- ▶ Gilbert Wells Program, Gilbert, AZ
- ▶ Peoria Wellfield Program, Peoria, AZ
- ▶ Gilbert Site 20 Reservoir & Well Sites, Gilbert, AZ

RESUMES



FELIX CONSTRUCTION

HOME OFFICE: Arizona

12 Years with Felix

28 Years Total Experience

EDUCATION:

- ▶ B.S. Advanced Tech Studies
Southern Illinois University
- ▶ A.S. Architecture, Morrison
Institute of Technology

TRAINING & CERTIFICATIONS:

- ▶ OSHA 10 Hour
- ▶ A.C.E. - JOC Certification

AWARDS:

- ▶ 2023 AZ Water Association
Wastewater System Project of the
Year - Lift Station 77
- ▶ American Public Works
Association - Project of the
Year Award Environment - Lift
Station 77

PERCENT OF WORK DONE LOCALLY:

- ▶ 10% (Chino Valley)
- ▶ 90% (Felix Office)

KORY BURDEN

SENIOR ESTIMATOR

With an impressive career of over 28 years in the industry, including 12 years of dedicated service with Felix, Kory embodies an unparalleled depth of experience. As the Lead Estimator for every Felix proposal or GMP submitted over the past 12 years, Kory possesses an in-depth understanding of the requirements and expectations for well projects. His established relationships with subcontractors enable him to secure necessary quotes efficiently. Kory's estimates and budgets are not only accurate but also comprehensive, covering all aspects of the required scope of work. This ensures precision and reliability in project planning and execution. Kory's collaborative approach is evident in his seamless coordination with the preconstruction manager to meticulously prepare estimates.

Notable Projects:

- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ Kingman W & WW Treatment Plant Facilities JOC, Kingman, AZ
- ▶ Aeration Basin 1W Refurbishment Phase 3, Phoenix, AZ
- ▶ Aeration Basin 1W Refurbishment Phase 2, Phoenix, AZ
- ▶ Aeration Basin 1W Refurbishment Phase 1, Phoenix, AZ
- ▶ Merit Partners - Buckeye Industrial Park Lift Station, Buckeye, AZ
- ▶ Lennar - Middle Vista Sewer Lift Station, Phoenix, AZ
- ▶ EPCOR Unit 17 Res Replacement Willow Valley, AZ
- ▶ Forestar - Moonlight Lift Station, Maricopa, AZ
- ▶ EPCOR Rauch Interim Lift Station & Force Main, Surprise, AZ
- ▶ EPCOR Northwest Valley Water Reclamation Facility, Sun City, AZ
- ▶ Trillium Management Development Company - Floreo Water Campus and Well Sites, Buckeye, AZ
- ▶ Peoria JOC Water and Wastewater Treatment and Remote Facilities, Peoria, AZ
- ▶ Lennar - SPA 2 DO Expansion, Surprise, AZ
- ▶ Lift Station 77, Phoenix, AZ
- ▶ Alameda Lift Station, Tempe, AZ
- ▶ Knox Sewer Lift Station, Tempe, AZ
- ▶ Buckeye JOC, Sundance WRF, Buckeye, AZ
- ▶ 157th Avenue WRF Expansion, Goodyear, AZ
- ▶ Surprise Wastewater JOC - SPA 1 Improvements, Surprise, AZ
- ▶ 23RD Avenue, WWTP, Phoenix, AZ

RESUMES



FELIX CONSTRUCTION

HOME OFFICE: Arizona

1 Years with Felix

17 Years Total Experience

EDUCATION:

- ▶ B.S. Construction Management, Northern Arizona University

TRAINING & CERTIFICATIONS:

- ▶ OSHA 10 HR
- ▶ ATTSA Traffic Control Supervisor
- ▶ ACI Concrete Field Testing Technician – Grade 1
- ▶ First Aid
- ▶ Certified Public Works Professional – Supervision
- ▶ American Institute of Constructors – Associate Constructor

PERCENT OF WORK DONE LOCALLY:

- ▶ 100% (Chino Valley)

TOBEY PLAUNTY

PROJECT MANAGER

As Project Manager, Tobey plays a pivotal role in ensuring the project's successful execution. He is responsible for supporting the CMAR Manager Adam Seymour, and he handles the day-to-day coordination, including scheduling, budgeting, and progress tracking. Tobey will collaborate closely with field supervisors, subcontractors, and vendors to ensure work aligns with project specifications and timelines. His project responsibilities also include managing the procurement of materials and equipment, maintaining project documentation, and participate in site meetings to address challenges and maintain alignment among stakeholders.

Notable Projects:

- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ Kingman W & WW Treatment Plant Facilities JOC, Kingman, AZ
- ▶ 7A-GS2 3MG Concrete Reservoir, Phoenix, AZ
- ▶ *City of Kingman Main Tank, Kingman, AZ
- ▶ *City of Kingman Main Tanks Transmission Line, Kingman, AZ
- ▶ *City of Kingman Reclaimed Water Recharge, Kingman, AZ

- ▶ *Previous Firm

RESUMES



FELIX CONSTRUCTION

HOME OFFICE: Phoenix

7 Years with Felix

7 Years Total Experience

EDUCATION:

- ▶ B.S.E. Civil Engineering, Arizona State University

TRAINING &

CERTIFICATIONS:

- ▶ ABA Emerging Leaders
- ▶ First Aid & CPR

PERCENT OF WORK DONE LOCALLY:

- ▶ 40% (Chino Valley)
- ▶ 60% (Felix Office)

AWARDS:

- ▶ 2023 AZ Water Association Wastewater System Project of the Year - Lift Station 77

ZAC TEAL

ASSISTANT PROJECT MANAGER

Zac brings extensive experience in the water and wastewater industry, making him an invaluable asset to any project. His deep commitment to the community and the client drives him to go above and beyond to ensure the project meets the highest standards while delivering meaningful benefits to the community. Zac excels in collaborating with engineers, working closely to identify the best solutions that balance cost-efficiency and quality. As an Assistant Project Manager, Zac offers additional advantages, including dedicated support for managing day-to-day project operations, streamlining communication between teams, and ensuring schedules and budgets stay on track. His proactive approach to problem-solving and strong organizational skills help maintain project momentum and address challenges swiftly.

Notable Projects:

- ▶ Forestar Moonlight Lift Station, Maricopa, AZ
- ▶ Lift Station 77, Phoenix, AZ
- ▶ City of Phoenix JOC, Phoenix, AZ
- ▶ Bouse BDWID Water System Improvements, Bouse, AZ
- ▶ Well 21, Tempe, AZ
- ▶ FPS Tempe Rural Road Vaults, Tempe, AZ
- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ KMGC RW4 Drill & Test, Tempe, AZ
- ▶ KMGC RW3 Drilling, Tempe, AZ
- ▶ KMGC RW2 Drill & Equip, Tempe, AZ
- ▶ SRPMIC Well Abandonment Program, Multiple Locations, AZ

RESUMES



Felix Construction

Home Office: Phoenix

16 Years with Felix

31 Years Total Experience

Field Leadership Team

TRAINING & CERTIFICATIONS:

- ▶ OSHA 30 Hour
- ▶ First Aid & CPR
- ▶ Confined Space
- ▶ Scaffolding
- ▶ Competent Person
- ▶ Fall Protection
- ▶ Trench & Excavation Safety
- ▶ Scaffolding

AWARDS:

- ▶ 2023 AZ Water Association Wastewater System Project of the Year - Lift Station 77

PERCENT OF WORK DONE LOCALLY:

- ▶ 10% (Chino Valley)
- ▶ 90% (Felix Office)

CHARLES DERRING

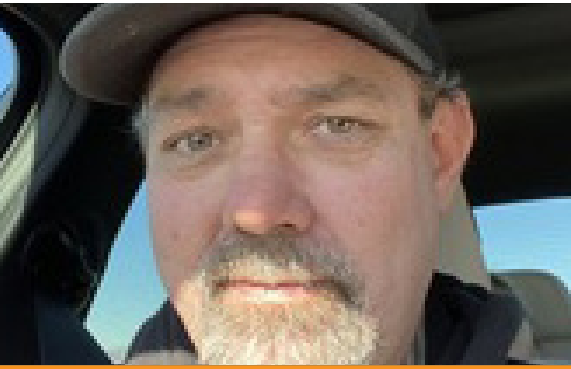
FIELD OPERATIONS MANAGER

With more than 30 years of experience in constructing water and wastewater infrastructure across Arizona, Charles brings unparalleled expertise to this project. His extensive knowledge of industry standards ensures the seamless integration of best practices, while his steadfast dedication to safety and quality control provides stakeholders with confidence in achieving exceptional results. Charles's proven ability to lead field staff and implement effective protocols further underscores his capability to deliver a successful and high-quality project.

Notable Projects:

- ▶ Kingman W & WW Treatment Plant Facilities JOC, Kingman, AZ
- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ Goodyear Rainbow Valley Water Reclamation, Goodyear, AZ
- ▶ Kingman Downtown Wastewater Treatment Plant, Kingman, AZ
- ▶ KMGC RW4 Drill & Test, Tempe, AZ
- ▶ KMGC RW3 Drilling, Tempe, AZ
- ▶ KMGC RW2 Drill & Equip, Tempe, AZ
- ▶ Aeration Basin 1W Refurbishment Phase 3, Phoenix, AZ
- ▶ Aeration Basin 1W Refurbishment Phase 2, Phoenix, AZ
- ▶ Aeration Basin 1W Refurbishment Phase 1, Phoenix, AZ
- ▶ EPCOR Unit 17 Res Replacement Willow Valley, AZ
- ▶ Merit Partners - Buckeye Industrial Park Lift Station, Buckeye, AZ
- ▶ Lennar - Middle Vista Sewer Lift Station, Phoenix, AZ
- ▶ Trillium Management Development Company - Floreo Water Campus and Well Sites, Buckeye, AZ
- ▶ EPCOR Rauch Interim Lift Station & Force Main, Surprise, AZ
- ▶ Lennar - SPA 2 DO Expansion, Surprise, AZ
- ▶ Lift Station 77, Phoenix, AZ
- ▶ Peoria JOC Water and Wastewater Treatment and Remote Facilities, Peoria, AZ
- ▶ Surprise Wastewater JOC - SPA 1 Improvements, Surprise, AZ
- ▶ 23RD Avenue, WWTP, Phoenix, AZ
- ▶ Avondale CM Wolf WRC Odor Control Improvements, Avondale, AZ

RESUMES



Felix Construction

Home Office: Phoenix

5 Years with Felix

31 Years Total Experience

Local - Kingman

TRAINING & CERTIFICATIONS:

- ▶ OSHA 30 Hour
- ▶ First Aid & CPR
- ▶ Confined Space
- ▶ Competent Person
- ▶ Dust Control

PERCENT OF WORK DONE LOCALLY:

- ▶ 100% (Chino Valley)

JOE DYER

SUPERINTENDENT

With a career spanning over three decades in construction, including water and wastewater infrastructure within the state of Arizona, Joe brings a wealth of experience and expertise to the JOC. His in-depth familiarity with water and wastewater infrastructure standards is a distinct advantage, ensuring seamless integration of existing knowledge into every build. Joe has an unwavering commitment to safety and quality control on every project, instilling confidence in stakeholders and guaranteeing the highest standards throughout the build. His expertise in overseeing project field staff and implementing project protocols further solidifies his suitability for this role. Joe and his crew are located in Kingman and have been performing construction of water and wastewater projects across Northern Arizona.

Notable Projects:

- ▶ Cattail Cove Water Treatment Plant, Lake Havasu City, AZ
- ▶ Kingman W & WW Treatment Plant Facilities JOC, Kingman, AZ
- ▶ Kingman Downtown WWTP, Kingman, AZ
- ▶ Forestar Moonlight Lift Station, Maricopa, AZ
- ▶ EPCOR Unit 17 Res Replacement Willow Valley, AZ
- ▶ Bullhead WWTP Expansion, Bullhead City, AZ
- ▶ Bouse BDWID Water System Improvements, Bouse, AZ
- ▶ Kingman Water and Wastewater Treatment & Plant Facilities Job Order Contract, Kingman, AZ
- ▶ Kingman - Storm Water Pump Rebuild, Kingman, AZ
- ▶ Main Tank #1, Kingman, AZ
- ▶ DTWTP Filter #1 & #2 Replacement, Kingman, AZ
- ▶ Hilltop Velocity Baffle, Kingman, AZ



TOWN OF CHINO VALLEY

ADDENDUM NO. 1

12/30/24

**RFQ – Construction Manager at Risk (CMAR) for Construction Services for the
Chino Valley Water Reclamation Facility Improvements Project**

Solicitation #: 2024-0029

SOQ Due Date: January 28, 2025

Time: 2:00 P.M., Local Time

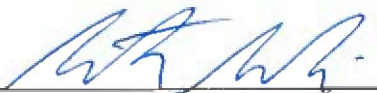
Place: Town Clerk's Office
202 North State Route 89
Chino Valley, AZ 86323

Make all revisions to the request for qualifications document stated herein. Insofar as the original request for qualifications are at variance with this Addendum, the Addendum shall govern.

This Addendum consists of 1 page(s).

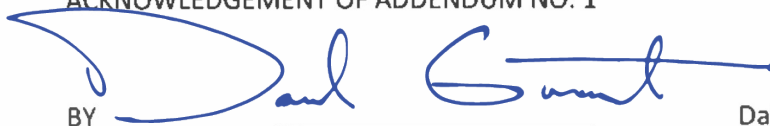
RFQ Changes:

1. Cover Sheet, Non-Mandatory Pre-Submittal Conference, **CHANGE** to Tuesday, January 7, 2025 at **10:00 a.m.**

BY 
Steven Sullivan, PE
Assistant Town Engineer

Date 12/30/24

ACKNOWLEDGEMENT OF ADDENDUM NO. 1

BY 

Date 1/27/2025



TOWN OF CHINO VALLEY

ADDENDUM NO. 2

01/15/2025

RFQ – Construction Manager at Risk (CMAR) for Construction Services for the Chino Valley Water Reclamation Facility Improvements Project

Solicitation #: 2024-0029

SOQ Due Date: January 28, 2025

Time: 2:00 P.M., Local Time

Place: Town Clerk's Office
202 North State Route 89
Chino Valley, AZ 86323

Make all revisions to the request for qualifications document stated herein. Insofar as the original request for qualifications are at variance with this Addendum, the Addendum shall govern.

This Addendum consists of 2 page(s).

RFI Responses:

1. Q - *Can we get a plant tour?*

A - The Town will offer a non-mandatory tour of the WRF, Tuesday, January 21, 2025 @ 10:00 am at the WRF (2190 Rodeo Dr, Chino Valley, AZ 86323) for all interested parties.

2. Q - *We have scheduling conflicts with the date selected for oral interviews so may we move potential schedule?*

A - As the indicated date is tentative, selected vendors for oral interviews will be scheduled in accordance with their availability and schedules.

3. Q - *What specifically will phase 1 focus on? What will phase 2 focus on?*

A - The project is still currently in the design phase and the preliminary phasing components are as follows:

The primary scope components within Phase 1 include the installation of new equalization (EQ) basins, a new EQ lift station, new sludge pumps, new sludge storage tanks, and offsite lift station canopy.

The primary scope components within Phase 2 include the installation of a new maintenance bed, the procurement of a new Vactor truck, the installation of a new redundant dewatering screw press, the replacement of the existing UV disinfection units, odor control units for both the Headworks Building and the Dewatering Room, and the completion of the PFAS Pilot study.

BY _____

Steven Sullivan, PE
Assistant Town Engineer

Date _____

ACKNOWLEDGEMENT OF ADDENDUM NO. 2

BY  _____

Date 1/27/2025

FELIX

CONSTRUCTION

Address:

2530 S. 52nd Avenue
Phoenix, Arizona 85043

Phone:

480.464.0011

Website:

felixconstruction.com

EXHIBIT B
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
FELIX CONSTRUCTION COMPANY

[Scope of Work and Fee Proposal]

See following pages.

Monday, April 7th, 2025

Chino Valley Public Works Department
1020 W Palomino Rd,
Chino Valley, AZ 86323

Attn: Frank Marbury

Re: Chino Valley WRF Improvements

Subject: Preconstruction Services Proposal

Mr. Marbury,

Attached you will find our Preconstruction Services Proposal for the construction of Chino Valley WRF Improvements CMAR project. It is anticipated the total amount for these services is \$157,911.52.

A summary of the work in this proposal includes:

- Meetings and Site Visits associated with the project.
- Constructability and Biddability.
- Project Scheduling
- Cost Modeling
- GMP Development
- Allowances for Potholing and Survey

Attached to this letter you will find our proposal documents which include:

- Preconstruction Services Proposal

Legal Name: Felix Construction Company
Corporate & "Remit To" Address: 2530 S. 52nd. Ave., Phoenix, AZ 85043
Phone Number: 480-464-0011
Contract Signatory: Jason Robinson
Project Manager: Adam Seymour

If you have any questions or wish to discuss this matter further, please contact me at (480) 464-0011.

Sincerely,



Jason Robinson
Preconstruction Services Manager
Felix Construction Company

PRECONSTRUCTION SERVICES NARRATIVE

PRECONSTRUCTION SERVICES

1.0 GENERAL MEETINGS & SERVICES

This section details costs related to the contractor's involvement with the below typical meetings held with the client, engineer and project team. Felix internal preparation meetings, including those necessary for subcontractor and vendor input, are not included in this section and are detailed in other categories below.

1.1 Preconstruction General Management

This section covers overall management of preconstruction efforts.

1.2 Kickoff Meeting

The purpose of this meeting is to introduce the project team and stakeholders, review the project scope of work, schedule, and client milestones. At this meeting the clients' contact personnel will be identified, communication protocols will be established, and the project meeting schedule will be developed.

1.3 Design Progress Meetings

This section includes hours directly related to the project team's discussions and review of design documents in preparation for cost modeling and GMP developments. Felix will attend and participate in the design review meetings for the anticipated frequency and duration of the design process. At these meetings, Felix will present their constructability comments associated with the current design package. Felix will gather information during the design review meeting necessary to develop the project schedule and cost model associated with the current design package.

1.4 Cost Modeling & GMP Review Meetings

This section includes hours for cost model and GMP deliverable reviews with the project team. These meetings will be held approximately two weeks after each design progress review meeting and four weeks following the 90% design review meeting. Felix will gather the feedback from the design review meetings and our constructability review comments, and these will be incorporated into the Cost Model or GMP for the given level of design (60% and 90%).

1.5 Other

This section is only utilized in the event the specific job calls for additional meetings outside of the regularly scheduled occurrences. Some examples include site visits, either to the actual build site or to another comparable site.

2.0 CONSTRUCTABILITY & BIDDABILITY REVIEW

Upon receipt of each design package (60% and 90%) Felix will perform an evaluation of the design as it relates to biddability, construction means, methods, sequences, and techniques, as well as any safety considerations. Our focus during this review process will be to enhance project value, construction efficiency, and propose alternate approaches based on our experience with the client and other similar projects. We will compile this evaluation into a list of recommendations and clarification questions to present and discuss at the design review meetings referenced above.

2.2 60% Constructability & Biddability Review

The purpose of this meeting is to introduce the project team and stakeholders, review the project scope of work, schedule, and client milestones. At this meeting the clients' contact personnel will be identified, communication protocols will be established, and the project meeting schedule will be developed.

2.3 90% Constructability & Biddability Review

The purpose of this meeting is to introduce the project team and stakeholders, review the project scope of work, schedule, and client milestones. At this meeting the clients' contact personnel will be identified, communication protocols will be established, and the project meeting schedule will be developed.

4.0 PROJECT SCHEDULING

Following the kick-off meeting, Felix will work with the design engineer to develop a preliminary project schedule reflecting our understanding of the key project milestones and deliverable dates. At each design stage, this project schedule will be updated, and additional detail added to track the design progress, as well as identify key activities associated with material procurement and construction that will drive the project's overall critical path. This schedule will be presented for review at each Cost Model and GMP review meeting.

4.2 60% Schedule Development

This section includes hours for initial schedule brainstorming and development including sequencing of the work with assumed durations and lead times including utility coordination milestones and major transitional phases of the project.

4.3 90% Schedule Update

This section includes hours for updating and detailing a CPM schedule to accompany the final GMP.

4.4 Final GMP Schedule

This section includes hours (if necessary) for any large changes made between the 90% and final design.

5.0 COST MODELS & GMP PROPOSALS

5.2 60% Cost Modeling & GMP Development

Upon receipt of the 60% design package, Felix will begin the development of the Cost Model. Questions and comments for the design engineer will be compiled and addressed in the design review meetings and taken into account for the Cost Model.

5.3 90% Cost Modeling, Bid Solicitation & GMP Development



PRECONSTRUCTION SERVICES PROPOSAL

Upon receipt of the 90% design package, we will perform a final biddability review of the design documents and we will begin to solicit quotes from subcontractors and vendors. During this phase, Felix will coordinate a site visit for all potential subcontractors to view the project site and current conditions prior to the bid date. Answers to questions and clarification issued from the 90% design review meeting will be issued to the bidders as addendum by Felix. We typically set the bids to be due from subcontractors and vendors approximately two weeks after the 90% design review meeting. Following receipt of the bids, we require an additional week during this phase to compile the final Cost Model, which becomes the first draft of the GMP. The final GMP will be developed following the GMP review meeting.

5.4 Final GMP Adjustments

After the 90% iteration, the final GMP will be presented taking into account any minor adjustments.

POTHOLING ALLOWANCE

The estimated cost of each pothole equates to \$2,500. Therefore, an allowance of \$25,000 is set aside for 10 potholes if needed.

OWNER'S ALLOWANCE

10% is set aside for the owner's allowance.

EXCLUSIONS

- Any and all construction activities (other than potholing and site investigation - see Allowance above)
- Permits
- Material Costs

CLARIFICATIONS/ASSUMPTIONS

- This proposal assumes that one contract will be issued for Preconstruction Services, and a wholly separate contract will be issued for Construction (therefore taxes have been excluded from this Proposal).



PRECONSTRUCTION SERVICES PROPOSAL

Preconstruction Service Cost Summary

Description	Man Hours	Total Direct Cost
Division 00 - Preconstruction Services		
1.1 - Preconstruction General Management	100.00	11,681.00
1.2 - Kickoff Meetings	14.00	1,412.42
1.3 - Design Progress Meetings	56.00	5,801.52
1.4 - Cost Models & GMP Review Meetings	32.00	3,368.00
1.5 - Other - Site Visits, Field Trips, Etc.	72.00	7,319.88
2.2 - 60% Constructability & Biddability Review	20.00	2,095.54
2.3 - 90% Constructability & Biddability Review	40.00	4,191.08
4.2 - 60% Schedule Development	21.00	2,159.75
4.3 - 90% Schedule Update	13.00	1,336.67
4.4 - Final GMP Schedule	7.00	719.36
5.2 - 60% Cost Modeling	70.00	8,131.02
5.3 - 90% Cost Modeling, Bid Solicitation & GMP Development	112.00	13,096.24
5.4 - Final GMP Adjustments	32.00	3,633.04
Division 00 - Preconstruction Services Totals	589.0	\$64,945.52



PRECONSTRUCTION SERVICES PROPOSAL

Indirect Cost

Description	Percentage	Totals
Sub-Total (Other Direct / Indirect Costs)		
Preconstruction Indirect Cost (Labor Only)	46.00%	\$25,032.18
Sub-Total (Other Direct / Indirect Costs) Total		\$89,977.70

Preconstruction Services Fee

Description	Percentage	Totals
Sub-Total (Project Fee)		
Project Fee	10.00%	\$6,494.55
Sub-Total (Project Fee) Total		\$96,472.25

Preconstruction Bonds & Insurance

Description	Totals
Sub-Total (Bonds and Insurance)	
Insurance	\$964.72
Payment and Performance Bonds	\$1,169.24
Sub-Total (Bonds and Insurance) Total	\$98,606.22

Preconstruction Taxes

Description	Percentage	Totals
Sub-Total (Taxes)		
Taxes	6.73%	\$7,080.02
Sub-Total (Taxes) Total		\$105,686.23

Project Related Expenses & Contingencies (to be billed on time and material basis)

Description	Totals
Sub-Total (Project Contingencies)	
Sub-Total (Project Contingencies) Total	\$105,686.23

Project Related Expenses & Allowances (to be billed on time and material basis)

Description	Totals
Sub-Total (Project Allowances)	
Potholing Allowance (10 x \$2500)	\$25,000.00
Owner's Allowance	\$6,494.55

Description	Totals
Sub-Total (Project Allowances) Total	\$137,180.79

Total Preconstruction Services Costs

Description	Totals
Total Estimate	
Total Estimate Total	\$137,180.79



PRECONSTRUCTION SERVICES PROPOSAL

Preconstruction Services Cost Detail

Description	Man Hours	Unit Cost	Total Direct Cost
Division 00 - Preconstruction Services			
1.1 - Preconstruction General Management			
Preconstruction Manager	100.00	116.81	11,681.00
1.1 - Preconstruction General Management Totals	100.0		\$11,681.00
1.2 - Kickoff Meetings			
Preconstruction Manager	2.00	116.81	233.62
Preconstruction GC Sr. Project Manager	2.00	126.81	253.62
Preconstruction GC Project Manager	2.00	116.81	233.62
Preconstruction GC Project Engineer	2.00	88.96	177.92
Preconstruction Estimator Electrical	2.00	118.29	236.58
Preconstruction Coordinator	2.00	49.57	99.14
Preconstruction Project Engineer	2.00	88.96	177.92
1.2 - Kickoff Meetings Totals	14.0		\$1,412.42
1.3 - Design Progress Meetings			
Preconstruction Manager	8.00	116.81	934.48
Preconstruction GC Estimator	8.00	118.29	946.32
Preconstruction GC Project Manager	8.00	116.81	934.48
Preconstruction Estimator Electrical	8.00	118.29	946.32
Preconstruction Project Manager Electrical	8.00	116.46	931.68
Preconstruction Coordinator	8.00	49.57	396.56
Preconstruction Project Engineer	8.00	88.96	711.68
1.3 - Design Progress Meetings Totals	56.0		\$5,801.52
1.4 - Cost Models & GMP Review Meetings			
Preconstruction Manager	4.00	116.81	467.24
Preconstruction GC Estimator	4.00	118.29	473.16
Preconstruction GC Project Manager	4.00	116.81	467.24
Preconstruction Estimator Electrical	4.00	118.29	473.16
Preconstruction Project Manager Electrical	4.00	116.46	465.84
Preconstruction Coordinator	4.00	49.57	198.28
Preconstruction Manager Electrical	4.00	116.81	467.24
Preconstruction Project Engineer	4.00	88.96	355.84
1.4 - Cost Models & GMP Review Meetings Totals	32.0		\$3,368.00
1.5 - Other - Site Visits, Field Trips, Etc.			
Preconstruction Manager	12.00	116.81	1,401.72
Preconstruction GC Estimator	12.00	118.29	1,419.48
Preconstruction GC Superintendent	12.00	118.07	1,416.84
Preconstruction Estimator Electrical	12.00	118.29	1,419.48
Preconstruction Coordinator	12.00	49.57	594.84



PRECONSTRUCTION SERVICES PROPOSAL

Description	Man Hours	Unit Cost	Total Direct Cost
Preconstruction Project Engineer	12.00	88.96	1,067.52
1.5 - Other - Site Visits, Field Trips, Etc. Totals	72.0		\$7,319.88
2.2 - 60% Constructability & Biddability Review			
Preconstruction Manager	4.00	116.81	467.24
Preconstruction Estimator Electrical	2.00	118.29	236.58
Preconstruction Project Manager Electrical	2.00	116.46	232.92
Preconstruction Coordinator	2.00	49.57	99.14
Preconstruction Manager Electrical	2.00	116.81	233.62
Preconstruction Project Engineer	4.00	88.96	355.84
Preconstruction GC Estimator	2.00	118.29	236.58
Preconstruction GC Project Manager	2.00	116.81	233.62
2.2 - 60% Constructability & Biddability Review Totals	20.0		\$2,095.54
2.3 - 90% Constructability & Biddability Review			
Preconstruction Manager	8.00	116.81	934.48
Preconstruction GC Estimator	4.00	118.29	473.16
Preconstruction GC Project Manager	4.00	116.81	467.24
Preconstruction Estimator Electrical	4.00	118.29	473.16
Preconstruction Project Manager Electrical	4.00	116.46	465.84
Preconstruction Coordinator	4.00	49.57	198.28
Preconstruction Manager Electrical	4.00	116.81	467.24
Preconstruction Project Engineer	8.00	88.96	711.68
2.3 - 90% Constructability & Biddability Review Totals	40.0		\$4,191.08
4.2 - 60% Schedule Development			
Preconstruction Manager	8.00	116.81	934.48
Preconstruction GC Project Manager	1.00	116.81	116.81
Preconstruction GC Superintendent	1.00	118.07	118.07
Preconstruction Project Manager Electrical	1.00	116.46	116.46
Preconstruction Superintendent Electrical	1.00	112.68	112.68
Preconstruction Coordinator	1.00	49.57	49.57
Preconstruction Project Engineer	8.00	88.96	711.68
4.2 - 60% Schedule Development Totals	21.0		\$2,159.75
4.3 - 90% Schedule Update			
Preconstruction Manager	4.00	116.81	467.24
Preconstruction GC Project Manager	1.00	116.81	116.81
Preconstruction GC Superintendent	1.00	118.07	118.07
Preconstruction Project Manager Electrical	1.00	116.46	116.46
Preconstruction Superintendent Electrical	1.00	112.68	112.68
Preconstruction Coordinator	1.00	49.57	49.57
Preconstruction Project Engineer	4.00	88.96	355.84
4.3 - 90% Schedule Update Totals	13.0		\$1,336.67



PRECONSTRUCTION SERVICES PROPOSAL

Description	Man Hours	Unit Cost	Total Direct Cost
4.4 - Final GMP Schedule			
Preconstruction Manager	1.00	116.81	116.81
Preconstruction GC Project Manager	1.00	116.81	116.81
Preconstruction GC Superintendent	1.00	118.07	118.07
Preconstruction Project Manager Electrical	1.00	116.46	116.46
Preconstruction Superintendent Electrical	1.00	112.68	112.68
Preconstruction Coordinator	1.00	49.57	49.57
Preconstruction Project Engineer	1.00	88.96	88.96
4.4 - Final GMP Schedule Totals	7.0		\$719.36
5.2 - 60% Cost Modeling			
Preconstruction Manager	8.00	116.81	934.48
Preconstruction GC Estimator	40.00	118.29	4,731.60
Preconstruction Estimator Electrical	20.00	118.29	2,365.80
Preconstruction Coordinator	2.00	49.57	99.14
5.2 - 60% Cost Modeling Totals	70.0		\$8,131.02
5.3 - 90% Cost Modeling, Bid Solicitation & GMP Development			
Preconstruction Manager	8.00	116.81	934.48
Preconstruction GC Estimator	60.00	118.29	7,097.40
Preconstruction GC Project Manager	2.00	116.81	233.62
Preconstruction Estimator Electrical	40.00	118.29	4,731.60
Preconstruction Coordinator	2.00	49.57	99.14
5.3 - 90% Cost Modeling, Bid Solicitation & GMP Development Totals	112.0		\$13,096.24
5.4 - Final GMP Adjustments			
Preconstruction Manager	8.00	116.81	934.48
Preconstruction GC Estimator	10.00	118.29	1,182.90
Preconstruction GC Project Manager	2.00	116.81	233.62
Preconstruction Estimator Electrical	10.00	118.29	1,182.90
Preconstruction Coordinator	2.00	49.57	99.14
5.4 - Final GMP Adjustments Totals	32.0		\$3,633.04
Division 00 - Preconstruction Services Totals	589.0		\$64,945.52

Indirect Cost

Description	Percentage	Totals
Sub-Total (Other Direct / Indirect Costs)		
Preconstruction Indirect Cost (Labor Only)	46.00%	\$25,032.18
Sub-Total (Other Direct / Indirect Costs) Total		\$89,977.70



PRECONSTRUCTION SERVICES PROPOSAL

Preconstruction Services Fee

Description	Percentage	Totals
Sub-Total (Project Fee)		
Project Fee	10.00%	\$6,494.55
Sub-Total (Project Fee) Total		\$96,472.25

Preconstruction Bonds & Insurance

Description	Totals
Sub-Total (Bonds and Insurance)	
Insurance	\$964.72
Payment and Performance Bonds	\$1,169.24
Sub-Total (Bonds and Insurance) Total	
	\$98,606.22

Preconstruction Taxes

Description	Percentage	Totals
Sub-Total (Taxes)		
Taxes	6.73%	\$7,080.02
Sub-Total (Taxes) Total		\$105,686.23

Project Related Expenses & Contingencies (to be billed on time and material basis)

Description	Totals
Sub-Total (Project Contingencies)	
Sub-Total (Project Contingencies) Total	\$105,686.23

Project Related Expenses & Allowances (to be billed on time and material basis)

Description	Totals
Sub-Total (Project Allowances)	
Potholing Allowance (10 x \$2500)	\$25,000.00
Owner's Allowance	\$6,494.55
Sub-Total (Project Allowances) Total	
	\$137,180.79

Total Preconstruction Services Costs

Description	Totals
Total Estimate	
Total Estimate Total	\$137,180.79



PRECONSTRUCTION SERVICES PROPOSAL

Preconstruction General Management Breakdown	Projected Hours
Create and manage Risk Register	10
Cash Flow Projections & Reports	10
Cost Allocation Reports	10
Develop Exhibits (Pothole Plan, Preliminary Layouts, etc)	10
Coordination with Subs/Vendors outside of Pricing Effort	10
Develop and Manage Schedule of Values	10
Coordination Emails & Phone Calls	15
Additional Meetings (Not included in Proposal)	15
Misc. Mangement & Coordination Efforts	10
	100

**Water Infrastructure Finance Authority of Arizona
Clean Water Revolving Fund
Drinking Water Revolving Fund**

CONTRACT PACKET for Governmental Borrowers

This packet lists required contract conditions that apply to all Clean Water and Drinking Water Revolving Fund projects and contains forms that must be used in the procurement process. Please review this packet prior to bidding.

PLEASE NOTE

- **This packet, in its entirety, must be physically included in all bidding, solicitation and contract documents.**
- Use of American Iron and Steel (AIS) applies to this project.:
 - AIS includes the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.
- Federal Davis-Bacon prevailing wages apply to this project.
 - Payment of the wages, fringe benefits and overtime rates is required.
 - The appropriate Federal (Davis-Bacon) Prevailing Wage Decision must be physically incorporated into the bidding and contract documents.
 - The construction category of Heavy (excluding dam construction) should typically be applied to all projects funded by WIFA. If you believe that a different category of wages, such as Building, should be applied to your project or portions of your project, please contact WIFA in advance.
 - Weekly certified payroll submittal is required under the Federal Davis-Bacon laws.
- Compliance with the Civil Rights Act and Equal Employment Opportunity is required.
- Promotion of Small, Minority and Women-owned Businesses and participation in EPA's Disadvantaged Business Enterprise (DBE) Program is required.
- Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment.

Water Infrastructure Finance Authority of Arizona
Clean Water Revolving Fund
Drinking Water Revolving Fund

Required Contract Conditions

This project is being financed in whole or in part by the Water Infrastructure Finance Authority of Arizona through the Clean Water or Drinking Water Revolving Fund. The loan recipient is required to comply with the following federal and state laws, rules and regulations and must ensure that their contractor(s) also comply(ies) with these regulations, laws and rules.

1. (i) Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352, 42 U.S.C. Sec. 2000d), (ii) the Rehabilitation Act of 1973 (Pub. L. 93-1123, 87 Stat. 355, 29 U.S.C. Sec. 794), (iii) the Age Discrimination Act of 1975 (Pub. L. 94-135 Sec. 303, 89 Stat. 713, 728, 42 U.S.C. Sec. 6102), (iv) Section 13 of the Federal Water Pollution Control Act (Pub. L. 92-500, 33 U.S.C. Sec. 1251), and subsequent regulations, ensures access to facilities or programs regardless of race, color, national origin, sex, age or handicap.
2. Equal Employment Opportunity (Executive Order 11246, as amended by Executive Orders 11375 and 12086 and subsequent regulations). Prohibits employment discrimination on the basis of race, color, religion, sex or national origin. Inclusion of the seven clauses in Section 202 of Executive Order 11246 as amended by Executive Orders 11375 and 12086 are required in all project related contracts and subcontracts over \$10,000.
3. (i) Promoting the use of Small, Minority, and Women-owned Businesses (Executive Orders 11625, 12138 and 12432), (ii) Small Businesses Reauthorization & Amendment Act of 1988 (Section 129 of Pub. L. 100-590), (iii) Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993 (Pub. L. 102-389, 42 U.S.C. Sec. 437d), and (iv) Title X of the Clean Air Acts Amendments of 1990 (Pub. L. 101-549, 42 U.S.C. Sec. 7601 note) ("EPA's 10% statute"). Encourages recipients to award construction, supply and professional service contracts to minority and women's business enterprises (MBE/WBE) and small businesses and requires recipients to utilize affirmative steps in procurement.
4. Participation by Disadvantaged Business Enterprises in Procurement under Environmental Protection Agency (EPA) Financial Assistance Agreements (40 C.F.R. Part 33).
5. Debarment and Suspension (Executive Order 12549). Prohibits entering into contracts or sub-contracts with individuals or businesses who are debarred or suspended. Borrowers are required to check the status of all contractors (construction and professional services) and must require contractors to check the status of subcontractors for contracts expected to be equal to or over \$25,000 via this Internet address: <https://www.sam.gov/SAM/>.

6. E-Verify (A.R.S. § 41-4401). A governmental entity shall not award a contract to any contractor or subcontractor that fails to comply with A.R.S. § 23-214(A). Every government entity shall (i) ensure that every government entity contractor and subcontractor complies with the federal immigration laws and regulations that relate to their employees and A.R.S. § 23-214(A); (ii) require that every government entity contract include the required provisions listed under A.R.S. § 41-4401(A); and (iii) establish procedures to conduct random verification of the employment records of government entity contractors and subcontractors.

Water Infrastructure Finance Authority of Arizona
Clean Water Revolving Fund
Drinking Water Revolving Fund

Use of American Iron and Steel

Public Law 113-76, enacted January 17, 2014

SEC. 436. (a)(1) None of the funds made available by a State water pollution control revolving fund as authorized by title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) or made available by a drinking water treatment revolving loan fund as authorized by section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12) shall be used for a project for the construction, alteration, maintenance, or repair of a public water system or treatment works unless all of the iron and steel products used in the project are produced in the United States.

(2) In this section, the term “iron and steel products” means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

(b) Subsection (a) shall not apply in any case or category of cases in which the Administrator of the Environmental Protection Agency (in this section referred to as the “Administrator”) finds that—

- (1) applying subsection (a) would be inconsistent with the public interest;
- (2) iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or
- (3) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.

(c) If the Administrator receives a request for a waiver under this section, the Administrator shall make available to the public on an informal basis a copy of the request and information available to the Administrator concerning the request, and shall allow for informal public input on the request for at least 15 days prior to making a finding based on the request. The Administrator shall make the request and accompanying information available by electronic means, including on the official public Internet Web site of the Environmental Protection Agency.

(d) This section shall be applied in a manner consistent with United States obligations under international agreements.

(e) The Administrator may retain up to 0.25 percent of the funds appropriated in this Act for the Clean and Drinking Water State Revolving Funds (CWSRF and DWSRF) for carrying out the provisions described in subsection (a)(1) for management and oversight of the requirements of this section.

(f) This section does not apply with respect to a project if a State agency approves the engineering plans and specifications for the project, in that agency’s capacity to approve such plans and specifications prior to a project requesting bids, prior to the date of the enactment of this Act.

Highlights from EPA Guidance on Use of American Iron and Steel

Complete document available at http://water.epa.gov/grants_funding/aisrequirement.cfm

What is considered American Iron and Steel?

What is an iron or steel product?

For purposes of the CWSRF and DWSRF projects that must comply with the AIS requirement, an iron or steel product is one of the following made primarily of iron or steel that is permanently incorporated into the public water system or treatment works: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

What is a ‘construction material’ for purposes of the AIS requirement?

Construction materials are those articles, materials, or supplies made primarily of iron and steel, that are permanently incorporated into the project, not including mechanical and/or electrical components, equipment and systems. Some of these products may overlap with what is also considered “structural steel”. This includes, but is not limited to, the following products: wire rod, bar, angles, concrete reinforcing bar, wire, wire cloth, wire rope and cables, tubing, framing, joists, trusses, fasteners (i.e., nuts and bolts), welding rods, decking, grating, railings, stairs, access ramps, fire escapes, ladders, wall panels, dome structures, roofing, ductwork, surface drains, cable hanging systems, manhole steps, fencing and fence tubing, guardrails, doors, and stationary screens.

What is NOT considered American Iron and Steel?

What is NOT considered a ‘construction material’ for purposes of the AIS requirement?

Mechanical and electrical components, equipment and systems are NOT considered construction materials. Mechanical equipment is typically that which has motorized parts and/or is powered by a motor. Electrical equipment is typically any machine powered by electricity and includes components that are part of the electrical distribution system. The following examples (including their appurtenances necessary for their intended use and operation) are NOT considered construction materials: pumps, motors, gear reducers, drives (including variable frequency drives (VFDs)), electric/pneumatic/manual accessories used to operate valves (such as electric valve actuators), mixers, gates, motorized screens (such as traveling screens), blowers/aeration equipment, compressors, meters, sensors, controls and switches, supervisory control and data acquisition (SCADA), membrane bioreactor systems, membrane filtration systems, filters, clarifiers and clarifier mechanisms, rakes, grinders, disinfection systems, presses (including belt presses), conveyors, cranes, HVAC (excluding ductwork), water heaters, heat exchangers, generators, cabinetry and housings (such as electrical boxes/enclosures), lighting fixtures, electrical conduit, emergency life systems, metal office furniture, shelving, laboratory equipment, analytical instrumentation, and dewatering equipment.

Water Infrastructure Finance Authority of Arizona
Clean Water Revolving Fund
Drinking Water Revolving Fund

Use of American Iron and Steel - De Minimis Waiver

Every water infrastructure project involves the use of thousands of miscellaneous, generally low-cost components that are essential for, but incidental to, the construction and are incorporated into the physical structure of the project. For many of these incidental components, the country of manufacture and the availability of alternatives is not always readily or reasonably identifiable prior to procurement in the normal course of business; for other incidental components, the country of manufacture may be known but the miscellaneous character in conjunction with the low cost, individually and (in total) as typically procured in bulk, mark them as properly incidental.

Examples of incidental components could include small washers, screws, fasteners (i.e., nuts and bolts), miscellaneous wire, corner bead, ancillary tube, etc.

Example of items that are clearly not incidental include significant process fittings (i.e., tees, elbows, flanges, and brackets), distribution system fittings and valves, force main valves, pipes for sewer collection and/or water distribution, treatment and storage tanks, large structural support structures, etc.

EPA has established a public interest waiver for de minimis incidental components. This action permits the use of products when they occur in de minimis incidental components of such projects.

- Funds used for such de minimis incidental components cumulatively may comprise no more than a total of 5% of the total cost of the materials used in and incorporated into a project.
- The cost of an individual item may not exceed 1% of the total cost of the materials used in and incorporated into a project.

Assistance recipients who wish to use this waiver should in consultation with their contractors determine the items to be covered by this waiver and must retain relevant documentation (i.e., invoices) as to those items in their project files.

**Water Infrastructure Finance Authority of Arizona
Clean Water Revolving Fund
Drinking Water Revolving Fund**

Davis-Bacon Contract Conditions (Federal Prevailing Wages)

PLEASE NOTE: Federal Davis-Bacon prevailing wages apply to this project. Payment of the wages, fringe benefits and overtime rates is required.

The “subrecipient” referred to throughout the Davis-Bacon contract conditions is the WIFA Borrower.

“WIFA” is the Water Infrastructure Finance Authority of Arizona, State Capitalization Grant recipient, recipient, or the Authority.

Wage Rate Requirements (Also referred to as Attachment 6)

Preamble

With respect to the Clean Water and Drinking Water State Revolving Funds, EPA provides capitalization grants to each State which in turn provides subgrants or loans to eligible entities within the State. Although EPA and the State remain responsible for ensuring subrecipients' compliance with the wage rate requirements set forth herein, those subrecipients shall have the primary responsibility to maintain payroll records as described in Section 3(3)(ii)(A) below and for compliance as described in Section 5.

Requirements for Subrecipients That Are Governmental Entities:

The following terms and conditions specify how recipients will assist EPA in meeting its Davis-Bacon (DB) responsibilities with respect to State recipients and subrecipients that are governmental entities. If a subrecipient has questions regarding when DB applies, obtaining the correct DB wage determinations, DB provisions, or compliance monitoring, it may contact the State recipient. If a State recipient needs guidance, the recipient will contact EPA. The recipient or subrecipient may also obtain additional guidance from DOL's web site at <https://www.dol.gov/agencies/whd/government-contracts/construction>.

1. Applicability of the Davis-Bacon prevailing wage requirements.

Davis-Bacon prevailing wage requirements apply to the construction, alteration, and repair of treatment works carried out in whole or in part with assistance made available by a Clean Water Revolving Fund and to any construction project carried out in whole or in part by assistance made available by a Drinking Water Revolving Fund. If a subrecipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the subrecipient must discuss the situation with the State recipient before authorizing work on that site.

2. Obtaining Wage Determinations.

(a) Subrecipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

- (i) While the solicitation remains open, the subrecipient shall monitor <https://beta.sam.gov/> weekly to ensure that the wage determination contained in the solicitation remains current. The subrecipient shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination 10 days or less prior to the closing date, the subrecipient may request a finding from the State recipient that there is not a reasonable time to notify interested contractors of the modification of the wage determination. The State recipient will provide a report of its findings to the subrecipient.

- (ii) If the subrecipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage

determination contained in the solicitation shall be effective unless the State recipient, at the request of the subrecipient, obtains an extension of the 90 day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The subrecipient shall monitor <https://beta.sam.gov/> on a weekly basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(b) If the subrecipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather than by publishing a solicitation, the subrecipient shall insert the appropriate DOL wage determination from <https://beta.sam.gov/> into the ordering instrument. Typically, the appropriate wage determination would be the one in effect on the date the task order, work assignment or similar instrument is awarded.

(c) Subrecipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(d) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a subrecipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the subrecipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the subrecipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The subrecipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract provisions.

The recipient shall insure that the subrecipient(s) shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF or a construction project under the DWSRF financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in 29 CFR § 5.1, the following clauses:

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: provided that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

Subrecipients may obtain wage determinations from the U.S. Department of Labor's web site, <https://beta.sam.gov/>.

(ii)(A) The subrecipient(s), on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the subrecipient(s) agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the subrecipient(s) to the State award official. The State award official will transmit the request, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the subrecipient(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the request and the local wage determination, including the views of

all interested parties and the recommendation of the State award official, to the Administrator for determination. The request shall be sent to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, provided that the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The subrecipient(s), shall upon written request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the recipient may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the

contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the subrecipient, that is, the entity that receives the subgrant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy received, the subrecipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at www.dol.gov/whd/forms/wh347instr.htm or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the subrecipient(s) for transmission to the State or EPA if requested by EPA, the State, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the subrecipient(s).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or State may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) Apprentices and trainees -

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the Apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency

recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

(5) Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and subrecipient(s), the State recipient, EPA, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

4. Contract Provision for Contracts in Excess of \$100,000.

(a) Contract Work Hours and Safety Standards Act. The subrecipient shall insert the following clauses set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any 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 Item 3 above 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 40 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 40 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 (a)(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 (a)(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 40 hours without payment of the overtime wages required by the clause set forth in paragraph (a)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The subrecipient, upon written request of the EPA Award Official or an authorized representative of the Department of Labor, shall 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 (b)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a)(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 (a)(1) through (4) of this section.

(b) In addition to the clauses contained in Item 3 above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the subrecipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the subrecipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the recipient and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

5. Compliance Verification

(a) The subrecipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(6), all interviews must be conducted in confidence. The subrecipient must use WIFA's interview form, Department of Labor's Standard Form 1445, or equivalent documentation to memorialize the interviews. WIFA's interview form and instructions are included with this packet.

(b) The subrecipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. Subrecipients must conduct more frequent interviews if the initial interviews or other information indicated that there is a risk that the contractor or subcontractor is not complying with DB. Subrecipients shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence.

(c) The subrecipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate

wage rates. The subrecipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the subrecipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Subrecipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the subrecipient shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.

(d) The subrecipient shall periodically review contractors and subcontractors use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

(e) Subrecipients must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact listed below and to the appropriate DOL Wage and Hour District Office listed at www.dol.gov/whd.

Joe Ochab, EPA Region 9, 75 Hawthorne St. (P-22), San Francisco, CA 94105

**Clean Water Revolving Fund
Drinking Water Revolving Fund**

Equal Employment

Inclusion of these seven clauses (excerpt from Executive Order No. 11246, Section 202 as amended by Executive Order 11375 and 12086) is required in all CWRP and DWRP project related contracts and subcontracts over \$10,000:

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. 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. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and all of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The contractor will furnish all information and reports required by Executive Order No. 11246 of Sept. 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in

Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of Sept. 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

**Water Infrastructure Finance Authority of Arizona
Clean Water Revolving Fund
Drinking Water Revolving Fund**

Disadvantaged Business Enterprises (DBE)

Good Faith Efforts

Borrowers and their prime contractors must follow, document, and maintain documentation of their good faith efforts as listed below to ensure that Certified Disadvantaged Business Enterprises* (DBEs) have the opportunity to participate in the project by increasing DBE awareness of procurement efforts and outreach.

1. Ensure DBEs are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities; including placing DBEs on solicitation lists and soliciting them whenever they are potential sources.
2. Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitation for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.
3. Consider in the contracting process whether firms competing for large contracts could be subcontracted with DBEs. This will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.
4. Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.
5. Use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the U. S. Department of Commerce.
6. If the prime contractor awards subcontracts, require the prime contractor to take the steps in numbers 1 through 5 above.

Required Contract Conditions

These conditions must be included in all procurement contracts entered into by the Borrower for all DWRF and CWRF projects:

1. The prime contractor must pay its subcontractor for satisfactory performance no more than 30 days from the prime contractor's receipt of payment from the owner.
2. The prime contractor must notify the owner in writing prior to the termination of any Disadvantaged Business Enterprise subcontractor for convenience by the prime contractor.
3. If a Disadvantaged Business Enterprise contractor fails to complete work under the subcontract for any reason, the prime contractor must employ the six good faith efforts if soliciting a replacement contractor.
4. The prime contractor must continue to employ the six good faith efforts even if the prime contractor has achieved its fair share objectives.

5. The prime contractor must provide EPA Form 6100-2 DBE Program Subcontractor Participation Form** to all of its Disadvantaged Business Enterprise subcontractors. Disadvantaged Business Enterprise subcontractors may send completed Form 6100-2 directly to the Region 9 DBE Coordinator listed below:

Joe Ochab, EPA Region 9, 75 Hawthorne St. (P-22), San Francisco, CA 94105

6. The prime contractor must have its Disadvantaged Business Enterprise subcontractors complete EPA Form 6100-3 - DBE Program Subcontractor Performance Form**. The prime contractor must include all completed forms as part of the prime contractor's bid or proposal package to the Borrower.
7. The prime contractor must complete and submit EPA Form 6100-4 DBE Program Subcontractor Utilization Form** as part of the prime contractor's bid or proposal package to the Borrower.
8. A Borrower must ensure that each procurement contract it awards contains the following terms and conditions:

The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. 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 other legally available remedies.

** A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.205 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.*

*** More information about DBE requirements can be found at <https://www.epa.gov/grants/frequently-asked-questions-disadvantaged-business-enterprises>*

**Water Infrastructure Finance Authority of Arizona
Clean Water Revolving Fund
Drinking Water Revolving Fund**

Prohibition on Certain Telecommunication and Video Surveillance Equipment

Public Law 115-232, enacted August 13, 2020

WIFA borrowers must comply with regulations at 2 CFR 200.216, *Prohibition on certain telecommunication and video surveillance services or equipment*, implementing section 889 of Public Law 115-232. The regulation prohibits the use of Federal funds to procure (enter into, extend, or renew contracts) or obtain equipment, systems, or services that use “covered telecommunications equipment or services” identified in the regulation as a substantial or essential component of any system, or as critical technology as part of any system. Prohibitions extend to the use of Federal funds by recipients and subrecipients to enter into a contract with an entity that “uses any equipment, system, or service that uses covered telecommunications equipment or services” as a substantial or essential component of any system, or as critical technology as part of any system. Certain equipment, systems, or services, including equipment, systems, or services produced or provided by entities subject to the prohibition are recorded in the System for Award Management exclusion list (<https://sam.gov/SAM/>).

As described in section 889 of Public Law 115-232, covered telecommunications equipment or services includes:

- **Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).**
- For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other security purposes, **video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).**
- Telecommunications or video surveillance services provided by such entities or using such equipment.
- Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

There is no exhaustive list of components and services that fall under the prohibition. Borrowers and contractors should be particularly mindful of project components with internet or cellular connections. For example, automatic meter reading (AMR) technology and advanced metering infrastructure (AMI), instrumentation control systems (e.g. process control systems, distributed control systems and programmable logic controls), and security cameras and other electronic security measures. Items included in the prohibition are not eligible costs, and WIFA cannot reimburse borrowers for these costs.

ATTACHMENTS

Davis-Bacon Forms

WH-1321 - Davis-Bacon poster

WH-347 - Payroll and certification form

SF1444 - Wage Determination Request form

Employee Interview form

American Iron and Steel

Sample Step Certification Letter (Processed/

Manufactured) Sample Step Certification Letter (Shipped/
Provided)