

**GILA COUNTY
CONTRACT NO. 032712-1**

THIS AGREEMENT, made and entered into this 18th day of September, 2012, by and between Gila County, a political subdivision of the State of Arizona, party of the first part, hereinafter designated the **OWNER**, and Visus Engineering Construction of the City of Mesa, County of Maricopa, State of Arizona, party of the second part, hereinafter designated the **CONTRACTOR**.

WITNESSETH: That the said **Contractor**, for and in consideration of the sum to be paid him by the said **Owner**, in the manner and at the time hereinafter provided, and of the other covenants and agreements herein contained, and under the penalties expressed in the bond hereto attached, hereby agrees, for himself, his heirs, administrators, successors, and assigns as follows:

ARTICLE I - SCOPE OF WORK: The **Contractor** shall furnish any and all plant materials, labor, construction equipment, and services, required for performing all work for construction for Bid No. 032712-1 **RUSSELL ROAD RECONSTRUCTION PROJECT, GLOBE, ARIZONA** in accordance with the plans and these specifications, and to completely and totally construct the same and install the material herein for the **Owner**, in a good and workmanlike and substantial manner and to the satisfaction of the **Owner** through its Engineers and under the direction and supervision of the Engineer, or his properly authorized agents and strictly pursuant to and in conformity with the Specifications prepared by the Engineers for the **Owner**, and with such modifications of the same and other documents that may be made by the **Owner** through the Engineer, or his properly authorized agents, as provided herein. Once the Bid has been awarded the bid number 032204-1 will become the Contract Number.

ARTICLE II - CONTRACT DOCUMENTS: The attached "Call for Bids", "Technical Specifications", "General Provisions", "Special Provisions", "Proposal", "Bidding Schedule", "Bid Bond", "Qualification & Certification Forms", "Reference List", "Affidavit of Non-Collusion", "Subcontractor Certification", "Employment Laws Acknowledgment", "Checklist & Addenda Acknowledgment", "Performance Bond", "Labor and Materials Bond", "Contract Performance Bond", and Plans thereto, if any, are by this reference made a part of this Contract to the same extent as if set forth herein in full. In the event of any conflict or any inconsistency in the documents, controlling weight shall be assigned in the following order: the Contract; the Technical Specifications; the Special Provisions; the General Provisions; all other documents. Contract is considered invalid unless signed by the Gila County Board of Supervisors.

ARTICLE III - SAFETY AND LOSS CONTROL: The Gila County Safety and Loss Control booklet must be read and signed by all working at the job site.

During the pre-construction meeting a time will be set for the Gila County QA/QC Safety Compliance Officer for a safety meeting. For every safety meeting the Contractor shall invite the QA/QC Safety Compliance Officer and shall give at least a twenty-four (24) hour notice.

ARTICLE IV – INDEMNIFICATION CLAUSE: The Contractor agrees to indemnify and save harmless the County of Gila, its officers, agents and employees, and any jurisdiction or agency issuing permits for any work included in the project, their officers, agents and employees, hereinafter referred to as indemnitee, from all suits and claims, including attorney's fees and cost of litigation, actions, loss, damage, expense, cost or claims of any character or any nature arising out of the work done in fulfillment of the terms of this Contract or on account of any act, claim or amount arising or recovered under workers' compensation law or arising out of the failure of the Contractor to conform to any statutes, ordinances, regulation, law or court decree. It is agreed that the Contractor will be responsible for primary loss investigation, defense and judgment costs where this contract of indemnity applies. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

ARTICLE V – INSURANCE REQUIREMENTS: Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract.

The County in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees, or subcontractors. Contractor is free to purchase such additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE** - Contractor shall provide coverage with limits of liability not less than those stated below:

1. **Commercial General Liability – Occurrence Form**

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

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Each Occurrence \$1,000,000

- a. The policy shall be endorsed to include the following additional insured language:
"The County of Gila shall be named as an additional insured with respect to

liability arising out of the activities performed by, or on behalf of the Contractor".

2. **Automobile Liability**

Bodily injury and property damage for any owned, hired, and non-owned vehicles used in the performance of this Contract.

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

- a. The policy shall be endorsed to include the following additional insured language: "The County of Gila shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor, including automobiles owned, leased, hired or borrowed by the Contractor".

3. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$100,000
Disease – Each Employee	\$100,000
Disease – Policy Limit	\$500,000

- a. Policy shall contain a **waiver of subrogation** against the County of Gila.

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the County of Gila is named as an additional insured, the County of Gila shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage or endorsed to lower limits except after thirty (30) days prior written notice has been given to the County. Such notice shall be sent directly to the **Gila County Purchasing Department, 1400 E. Ash St., Globe, AZ 85501** and shall be sent by certified mail, return receipt requested.

D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the state of Arizona and with an "A.M. Best" rating of not less than B+ VI. The County in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the County with certificates of insurance (ACORD form or equivalent approved by the County) as required by this Contract.

The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the County before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to the **Gila County Purchasing Department, 1400 E. Ash St., Globe, AZ 85501**. The County project/contract number and project description shall be noted on the certificate of insurance. The County reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

- F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as additional insured's under its policies or Contractor shall furnish to the County separate certificates and endorsements for each subcontractor. All coverage's for subcontractors shall be subject to the minimum requirements identified above.
- G. **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the County Attorney, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

ARTICLE VI - TIME OF COMPLETION: The Contractor further covenants and agrees, at his own proper cost and expense, to do all work and furnish all materials, labor, construction equipment, and services for performing all of the work for construction of said improvements and to completely construct the same and install the material therein, as called for by this agreement free and clear of all claims, liens, and charges whatsoever, in the manner and under the conditions specified within the time, or times, stated in the Proposal.

Work on this project shall start within **no later than ten (10) Days of the Notice To Proceed**, and shall be completed within the following limits:

SCHEDULE:

For construction in the contract documents, the project shall be completed within **One Hundred and Twenty (120) Days of the Notice To Proceed.**

It is expressly understood and agreed that in case of failure on the part of the Contractor, for any reason, except with the written consent of the Engineer, to complete the work to the satisfaction of the Engineer and within the aforesaid time limits, the Owner may deduct from any money due, or which may become due the Contractor, as liquidated damages, an amount as fixed by the following schedule:

WORK ITEM

DAILY CHARGE PER CALENDAR DAY

All work not complete within the above specified time after start of work.



If no money shall be due the Contractor, the Owner shall have a cause of action to recover against the Contractor in a court of competent jurisdiction, liquidated damages as fixed by the above schedule; said deduction to be made, or said sum to be recovered, not as a penalty, but as liquidated damages; provided, however, that upon receipt of written notice from the Contractor, of the existence of causes, as herein provided, over which said Contractor has no control and which must delay the completion of the said work or any delay occasioned by the Owner, the Engineer may extend the period hereinafter specified for the completion of said work in accordance with the specifications and in such case, the Contractor shall become liable for said liquidated damages for delays commencing from date said extension period shall expire.

ARTICLE VII - CANCELLATION: This agreement is subject to cancellation pursuant to A.R.S. §38-511 and GENERAL PROVISION 80-09 DEFAULT AND TERMINATION OF CONTRACT.

ARTICLE VIII - PAYMENTS: The Contractor shall make an estimate of the work performed during the preceding month and submit the same to the Engineer for checking. On or before *thirty (30) days* after the certified and approved estimate of the work is received by the Owner, the Owner shall pay to the Contractor ninety percent (90%) of the value of said work in place, as approved by the Engineer. The balance of ten percent (10%) of the estimate shall be retained by the Owner until the time of final payment and acceptance of said work, as per A.R.S. §34-221(A)(2).

In order to receive payment the Contractor shall have a current W-9 Form on file with the County unless required by law.

All invoices submitted by the Contractor shall include at least the following but not be limited to:

- Purchase Order Number
- Contract Number
- Project Title
- Invoice Number
- Vendor Name and Address
- Description of Service

ARTICLE IX – LAWS AND ORDINANCES: This agreement shall be enforced under the laws of the State of Arizona. 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 Contractor shall comply with the applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable Federal regulations under the Act.

ARTICLE X – LEGAL ARIZONA WORKERS ACT COMPLIANCE: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor’s employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the “State and Federal Immigration Laws”). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws.

County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party’s compliance with the State and Federal Immigration Laws.

~~Any breach of Contractor’s or any subcontractor’s warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.~~

Contractor shall advise each subcontractor of County’s rights, and the subcontractor’s obligations, under this Article by including a provision in each subcontract substantially in the following form:

“Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor’s employees, and with the requirements of A.R.S. §23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor’s books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract.”

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of Contractor. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Contractor’s approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Contractor shall be entitled to an extension of time, but not costs.

ARTICLE XI – ANTI-TERRORISM WARRANTY: Pursuant to A.R.S. § 35-393.06(B) and 35-301.06(A) the Contractor certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

IN WITNESS WHEREOF, two (2) identical counterparts of this contract, each of which shall for all purposes be deemed an original thereof, have been duly executed by the parties hereinabove named, on the date and year first above written.

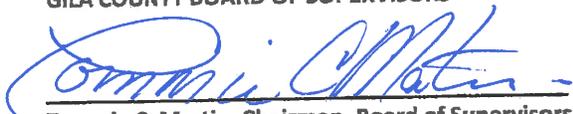
In return for the performance of this Contract by the Contractor, the Owner agrees to pay the amount of \$ 720,000 INCLUDING ALL APPLICABLE TAXES through a payment schedule as described in the Contract documents and as may be modified and executed by change orders and by final quantities.

The Contractor agrees that this contract, as awarded, is for the following work, and understands that payment for the total work will be made on the basis of the indicated amount(s), as bid in the Proposal and attached Bidding Schedule for:

**RUSSELL ROAD RECONSTRUCTION PROJECT
BID NO. 032712-1**

OWNER:

GILA COUNTY BOARD OF SUPERVISORS


Tommie C. Martin, Chairman, Board of Supervisors

CONTRACTOR:


Contractor Signature

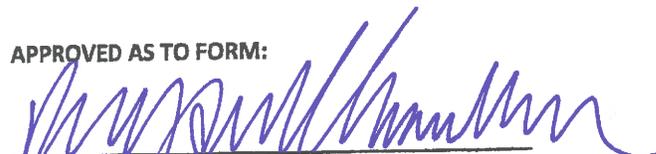
Jeffrey A. Kew - CEO
Print Name

ATTEST:


Marian Sheppard, Chief Deputy Clerk of the Board

Witness (If Contractor is Individual)

APPROVED AS TO FORM:


Bryan B. Chambers, Chief Deputy County Attorney
for Daisy Flores, County Attorney

**GILA COUNTY
CONTRACT PERFORMANCE WARRANTY**

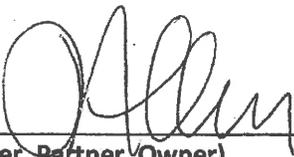
I, Jeffrey A. Keen, representing
Uvus Engineering Const Inc. (company name)

do hereby warranty the work performed for the:

RUSSELL ROAD RECONSTRUCTION PROJECT, GLOBE, ARIZONA

for a period of **two years** from completion of said work.

Said work shall be free from defects which would cause the work not to perform in its intended manner.


(Officer, Partner, Owner)

8/28/12
Date