



# Staff Report

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**Agenda Item:**            **Awarding of the Contract for the Installation of the Geo-Thermal HVA/C System and Approval of the Town of Clarkdale, 2010 Building Retrofit Project Agreement** – Awarding of a contract with Verde Sol-Air Services, Camp Verde, Arizona and approval of the 2010 Building Retrofit Project Agreement for the installation of the Geo-Thermal HVA/C system.

**Submitted By:**            Steve Burroughs, Public Works Director

**Meeting Date:**            July 13, 2010

**Background:**            On October 27, 2009, the Council authorized the submittal of a grant application to the Arizona Department of Commerce Energy Office (Commerce) for \$65,961.00 of an Arizona Balance of State Energy Efficiency and Conservation Block Grant (ABS-EECBG). The funds were to be used for implementing projects focused on increasing energy efficiency, reducing energy use, and reducing fossil fuel emissions. On March 16, 2010, the Arizona Department of Commerce Energy Office awarded the grant ABS-EECBG application.

This grant will be for the installation of geo-thermal heating and cooling in the men's lounge, reading room, and ladies lounge. Along with awarded EECBG funds, an APS rebate (incentives) was awarded to the Town and will be incorporated into the projects overall cost.

From May 20, 2010 to June 17, 2010, a bid selection process to contract for a installer was advertised and followed, with Verde Sol-Air, the sole applicant submitting a bid return packet. After review of the submitted bid requirements, Verde Sol-Air's bid packet was found to be complete. They have provided their Geo-thermal installer certifications along with the required bonds, (Payment and Performance). In addition, Verde Sol-Air has worked with Federally Funded projects, and are aware of the reporting, documentation, and pay requirements.

The project is scheduled to take approximately 3.5 weeks for completion.

**Recommendation:**    To award the contract to Verde Sol-Air for the installation of the Geo-Thermal HVA/C system and authorize the Mayor to execute the Town of Clarkdale, 2010 Building Retrofit Project Agreement contract for these services or direct staff to make any needed changes or modifications.

## Town of Clarkdale, 2010 Building Retrofit Project Agreement

This agreement, made this 13 day of July, 2010, by and between the Town of Clarkdale, Arizona, Post Office Box 308, Clarkdale, AZ 86324, hereinafter called OWNER and Verde Sol-Air Services, 724 North Industrial Drive #1, Camp Verde, Arizona, 86322 hereinafter called CONTRACTOR.

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned:

1. The CONTRACTOR will commence and complete the construction / installation of the **Town of Clarkdale's 2010 Building Retrofit Project, Geo-Thermal HVA/C**, hereinafter called PROJECT.
2. The CONTRACTOR will furnish all of the material, supplies, tools, equipment, labor and other services necessary for the construction and completion of the PROJECT described herein.
3. The CONTRACTOR will complete the PROJECT, as specified in the CONTRACT DOCUMENTS, by **August 30, 2010** unless the period for completion is otherwise extended by the OWNER.
4. The CONTRACTOR agrees to perform all of the work described in the CONTRACT DOCUMENTS and comply with the terms therein for the quantity amounts shown in the BID SCHEDULE.
5. The CONTRACTOR shall submit to the Public Works Director a pay estimate, filled out and signed by the CONTRACTOR covering the work performed during the period covered by the pay estimate and supported by such data as the Public Works Director may reasonably require. Within ten (10) days of receipt of the pay estimate, the Public Works Director shall indicate in writing his approval of payment and present the pay estimate to the OWNER, or return the pay estimate to the CONTRACTOR indicating in writing his reasons for refusing to approve payment. In the latter case, the CONTRACTOR may make the necessary corrections and resubmit the pay estimate.
6. The OWNER will, within thirty (30) days of presentation of an approved partial payment estimate, pay the CONTRACTOR A PROGRESS PAYMENT ON THE BASIS OF THE APPROVED PARTIAL PAYMENT ESTIMATE. The OWNER shall retain ten (10) percent of the amount of each payment until final completion and acceptance of all WORK covered by the CONTRACT DOCUMENTS.
7. The term CONTRACT DOCUMENTS means and includes the following:

AGREEMENT  
REQUEST FOR PROPOSALS  
INFORMATION FOR BIDDERS  
BID PROPOSAL  
BID SCHEDULE  
PERFORMANCE BOND  
PAYMENT BOND  
CERTIFICATE OF INSURANCE  
NOTICE OF AWARD  
NOTICE TO PROCEED  
WASTE STREAM AUDIT  
SUPPLEMENTAL, ARRA TERMS AND CONDITIONS

**8. 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 E-Verify 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.

CONTRACTOR agrees and warrants that TOWN 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. CONTRACTOR agrees that any act by the CONTRACTOR or subcontractor that result in the impediment or denial of access of the books and records of CONTRACTORS or subcontractor shall be a material breach of the Contract on the part of the CONTRACTOR.

Nothing herein shall make CONTRACTOR or subcontractor an agent or employee of the TOWN. Nothing herein shall act to establish privity of contract between the TOWN and any subcontractor.

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 (subject to TOWN approval) as soon as possible so as not to delay project completion and at no additional expense to the TOWN. Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of CONTRACTOR.

CONTRACTOR shall advise each subcontractor of TOWN's rights and the subcontractor's obligations under this Article by including a provision in its contract with each subcontractor 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 E-Verify requirements of A.R.S. §23-214(A). SUBCONTRACTOR further agrees that the Town of Clarkdale 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.

This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in triplicate, each one of which shall be deemed an original on the date first above written.

OWNER:

Town of Clarkdale

ATTEST

\_\_\_\_\_  
Doug Van Gausig, Town of Clarkdale Mayor

\_\_\_\_\_  
Kathy Bainbridge, Town Clerk

CONTRACTOR - **VERDE SOL-AIR SERVICES:**

\_\_\_\_\_

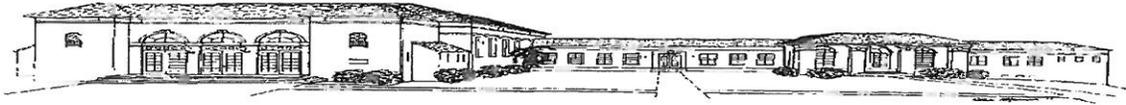
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Printed Name and Title

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Printed Name and Title

# TOWN OF CLARKDALE

PUBLIC WORKS DEPARTMENT



## AWARD LETTER – 2010 Building Retro-Fit Project

Verde Sol-Air  
724 N. Industrial Drive #1  
Camp Verde, AZ. 86322

Attn: Dave Meyers

### AWARD LETTER

Dear Mr. Meyers:

Contract No. 0010701

Your offer in response to our Solicitation dated June 17, 2010 for 2010 Building Retro-Fit Project, has been accepted by the Town of Clarkdale. Contract No. 0010701 in the amount of \$67,120.00, has been awarded to you. A fully executed copy of the contract agreement is enclosed.

A Notice to Proceed date will be established at a later date by separate correspondence.

Within fifteen (15) calendar days, submit the following documents:

a. A signed copy of the Performance Bond (Standard Form 25) and the Payment Bond (Standard Form 25-A), which are to be executed in the following amounts:

Performance Bond equal to 100% of the contract price

Payment Bond equal to 100% of the contract price

b. Each subcontractor and you shall complete the enclosed:

- SF-1413, "Statement, and Acknowledgment"

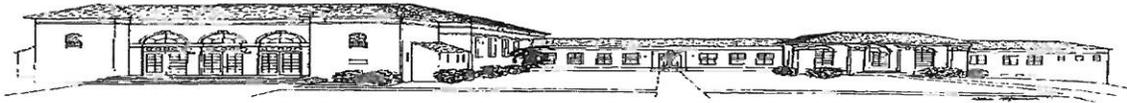
c. Contractor shall complete, post, and maintain the following:

- Davis-Bacon Requirement Forms:
  - Fringe Benefits
  - Project EEO Posters
  - Project wage sheet
  - Davis Bacon Payroll Sheet (WH-347)
  - Davis Bacon Poster (WH-1321)
  - Confirmation of Restitution Paid

AWARD LETTER  
July, 2010

# TOWN OF CLARKDALE

## PUBLIC WORKS DEPARTMENT



- Deduction authorization example
- Request for Additional Classification & Rate:
- Labor Standards Certification
- Supplemental, ARRA Terms and Conditions
- Expected Project Waste, Disposal, and Handling (waste stream management plan)

d. Contractor shall furnish an "American Made" certification of origin of any equipment, and materials to be used on the 2010 Building Retro-Fit Project prior to start of the project.

e. Four copies of the enclosed construction schedule showing the order in which you propose to accomplish the work. When approved by the Town of Clarkdale Public Works Department, the schedule will be returned to you and will be utilized by the Towns Project Coordinator to monitor your progress in completing the project.

f. Written evidence from your insurer that insurance, as required by the contract, is in effect and complies with contract requirements.

g. All shop drawings required for this project shall be submitted in accordance with the specification. You are required to forward all shop drawings to the towns Public Works Department.

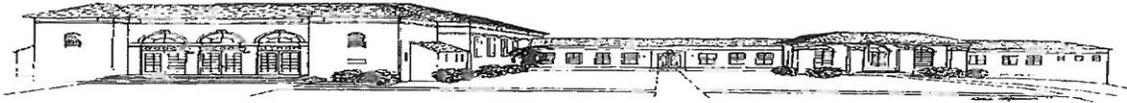
Town of Clarkdale  
Public Works Department  
15 North Ninth Street  
Clarkdale, AZ > 86324  
Attn: Steve Burroughs, Public Works Director

Your certified payrolls shall be submitted to the Town of Clarkdale's Public Works Department within seven (7) calendar days after the end of each pay period. You may use the enclosed payroll form WH-347, which contains the required "Weekly Statement of Compliance." If comparable company payrolls are submitted in place of the payroll chart on payroll form WH-347, still complete and submit to the Public Works Department the certification and benefit section on the back of payroll form WH-347 with each weekly payroll.

AWARD LETTER  
July, 2010

# TOWN OF CLARKDALE

## PUBLIC WORKS DEPARTMENT



Contractor must submit, as required by the contract, the enclosed "Progress Payment Certification" form with each invoice/voucher.

The following documents, applicable to this contract, shall be posted in a conspicuous place at the construction site: "Equal Employment Opportunity is the Law" poster; U.S. Department of Labor publication WH-1321, "Notice to all Employees;" and General Wage Determination No. AZ20080005.

You are advised of your right to submit, in writing to the Public Works Director for review and decision, any instruction or ruling of the Project Coordinator upon which you are unable to reach mutual agreement. Such submission should be addressed to the Public Works Director with a copy to the Project Coordinator.

You should be thoroughly familiar with all provisions of the contract, including any plans and specifications. Your subcontractor(s) should also thoroughly understand contractual requirements concerning their operations.

All claims submitted pursuant to any contractual provision shall be forwarded directly to the Project Coordinator and a copy furnished to the Public Works Director. (In no instance will a final decision be made or signed by the Public Works Director.)

If you have any questions, please contact the Public Works Department at (928) 639-2550.

Sincerely,

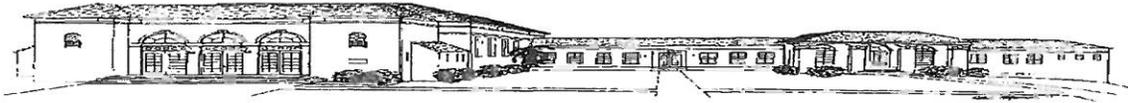
Steven Burroughs,  
Public Works Director,  
Town of Clarkdale

cc:

AWARD LETTER  
July, 2010

# TOWN OF CLARKDALE

PUBLIC WORKS DEPARTMENT



## **NOTICE TO PROCEED – 2010 Building Retro-Fit Project**

Verde Sol-Air  
724 N. Industrial Drive #1  
Camp Verde, AZ. 86322

Attn: Dave Meyers

### NOTICE TO PROCEED

Dear Mr. Meyers:

Contract No. 0010701

This letter constitutes your official Notice to Proceed. The effective date of the Notice to Proceed is July 14, 2010. Work shall be started within five calendar days from and including that date and shall be completed by the close of business August 30, 2010.

A preconstruction conference will be held on July 19, 2010, at 3:00 p.m., at the Town of Clarkdale Public Works conference room, 15 N. Ninth Street, Clarkdale, AZ., for the purpose of outlining and delineating the detailed procedures required under the terms of the contract. A representative of your firm is required to attend.

If you have any questions, please call the Public Works Department at (928) 639-2550.

Sincerely,

Steven Burroughs,  
Public Works Director, Town of Clarkdale

cc:

NOTICE TO PROCEED  
July, 2010