

**ACTION SHEET
CITY COUNCIL COMMITTEE MEETING OF 03/25/15
ITEM FROM FINANCE COMMITTEE MEETING OF 03/16/15**

ISSUE:

9. Request for Approval of Sole Source Procurement and Professional Services Agreement – Construction Management Services for Reservoir Improvements; Weaver Construction Management, Inc. (Robert Jorgensen)

FINANCE COMMITTEE ACTION: APPROVED AS CONSENT ITEM

Approved sole source procurement and professional services agreement for construction management services for Reservoir improvements with Weaver Construction Management, Inc. in the amount \$124,913 plus gross receipts tax.

FUNDING SOURCE: 52350.572970

SPECIAL CONDITIONS OR AMENDMENTS

STAFF FOLLOW-UP:

VOTE	FOR	AGAINST	ABSTAIN
COUNCILOR TRUJILLO	X		
COUNCILOR RIVERA	X		
COUNCILOR LINDELL	X		
COUNCILOR MAESTAS	X		
CHAIRPERSON DOMINGUEZ			

3-17-14

ACTION SHEET
PUBLIC UTILITIES COMMITTEE MEETING OF 3/4/15

ISSUE NO. 12

Request for approval of a Sole Source contact with Weaver Construction for construction management services for reservoir improvements for the amount of \$124,913.00 exclusive of NMGRT. (Robert Jorgensen)

Public Utilities Committee – 3/4/15
 Finance Committee – 3/16/15
 City Council – 3/25/15

PUBLIC UTILITES COMMITTEE ACTION: Approved to forward to 3/16/15 Finance Committee.

SPECIAL CONDITIONS OR AMENDMENTS:

STAFF FOLLOW UP:

VOTE:	FOR	AGAINST	ABSTAIN
COUNCILOR RIVERA, CHAIR	X		
COUNCILOR MAESTAS	X		
COUNCILOR BUSHEE	X		
COUNCILOR DIMAS	Excused		
COUNCILOR IVES	X		

City of Santa Fe, New Mexico

memo

Date: February 11, 2015

To: Public Utilities Committee
Finance Committee

Via: Nick Schiavo, Public Utilities Department Director *NSA*

From: Robert Jorgensen, Engineer *RJ*

Item & Issue

Approval of a sole source contract with Weaver Construction Management in the amount not to exceed \$135,140.25 is requested.

Background

Weaver Construction Management (WCM) is under contract with the City of Santa Fe to provide construction management services for reservoir improvements. The construction management contract was entered into on June 6, 2011 with an expiration date of December 31, 2012 and included the phases described below:

- Pre-construction phase concurrent with engineering design was anticipated to take 90 - 120 calendar days and bidding and award to take 60 – 90 days.
- Construction phase was anticipated to take 365 days.
- Project closeout phase was anticipated to take 30 days.

The original project scope included the design and construction of new catwalk bridges from the dam crest to the vertical intake tower and the repair/replacement of intake valves at both McClure and Nichols dams. A structural engineering evaluation of the existing vertical towers indicated that complete replacement of the structures was required. Thus the project scope and schedule was significantly expanded as described below:

- Pre-construction phase increased from 6 months to 24 months. The engineering design was more complex and required permitting from the Office of State Engineer.
- Construction phase increased from 12 months to 24 months. In order to replace the vertical intake towers, each dam had to be completely drained requiring sequential construction.
- Project closeout phase of 1 month was unchanged.
- The WCM contract was amended to accommodate these scope changes.

Construction at Nichols dam began in September 2013 and substantially completed in May 2014. The City issued RMCI, the construction contractor, a notice to proceed (NTP) for work at McClure dam on November 7, 2014 along with a change order extending the contract completion date to November 27, 2015. The WCM contract expires on June 5, 2015 prior to the completion of construction. Due to a 4 year term limit, the WCM contract cannot be extended.

Sole Source Contract

A sole source contract with WCM to complete the construction and project close phases will provide project continuity which is in the best interest of the City. Project continuity will ensure that construction quality is maintained throughout the project and will not require mobilization and start-up costs if a new vendor was selected. The WCM contract was procured through RFP '11/16/P and the sole source contract pricing is consistent with the original proposal.

Two alternatives to a sole source contract with WCM are described below along with the reasoning as to why they are not recommended:

- A. Let the WCM contract expire on June 5, 2015 and complete project management with City staff. The City may need to have limited specialized consulting services for soil and concrete inspection / consultation and have a full time person dedicated to the project. The City will not be licensed or capable of performing construction services as is WCM nor have the direct construction experience/expertise as does WCM. Delay in identifying and resolving contract issues or field problems may result in added costs and completion time and/or may reduce project quality.
- B. Issue RFP for construction management services from June 6, 2015 through December 27, 2015. A new construction manager would have to mobilize setting up field office and have little time to get up to speed as project construction activities would be at or near peak levels. It is anticipated that a new construction manager would have added work as compared to WCM to research and review contract documents, inspection records, as-constructed drawings, test records, and other items.

Therefore, a WCM sole source contract with a term from May 29, 2015 to March 31, 2016 in the amount not to exceed \$135,140.25 is recommended. The 'not to exceed amount' is based on a construction start date of February 2, 2015 and construction completion date of November 27, 2015 as outlined in the WCM letter dated November 17, 2014. Should construction be completed prior to November 27, 2015, a deductive change order will be issued for any unused portion of the contract value.

A transition from the current WCM contract to a WCM sole source contract is detailed in the attached worksheet. The notice of intent to award a sole source contract was posted on January 28, 2015 on the City's web site.

Funding

Funding in the amount of \$49,942.60 will be available after the current WCM contract is closed. Funding in the amount of \$85,197.66 is available in BU/LI 52350.572970.

Recommendation

Approval of the sole source construction management contract with Weaver Construction Management in the amount not to exceed \$135,140.25 to complete work at McClure Dam and Reservoir is in the best interest of the City and is requested.

Weaver Construction Management Contract Transition Worksheet

The current WCM contract is summarized in the Table 1 below:

Table 1 : WCM Current Contract Summary							
	Amount	NMGRT	Total	Contract Cumul. Tot.	Contract Extension	Contract Expiration	Contract/Amendment Approval
Original	549,550.00	44,994.41	594,544.41	594,544.41	NA	12/31/12	Council 5/25/11 Item #11-0439
Amend #1	3,572.00	292.46	3,864.46	598,408.87	365 Days	12/31/13	CM 1/2/13 Item #13-0045
Amend #2	0.00	0.00	0.00	598,408.87	365 Days	12/31/14	CM 11/19/13 Item #13-1191
Amend #3	238,722.00	19,545.36	258,267.36	856,676.23	365 Days	12/31/15	Council 3/26/14 Item #14-0117A
Amend #4	0.00	0.00	0.00	856,676.23	-209 Days	6/5/15	CM 5/21/14 Item #14-0349
Total	791,844.00	64,832.23	856,676.23				

Contract approved by Council on May 25, 2011 with WCM signature dated June 6, 2011

* Amendments (aka Change Orders) 3 & 4 signed concurrently on 5/21/14 by mayor/city manager respectively

In order to transition between the current WCM contract which expires on June 5, 2015 and a sole source contract with a term beginning May 29, 2015 and extending through March 31, 2016, the current WCM contract will be modified with a deductive change order as detailed in Table 2 below:

Table 2: Deductive Change Order Current WCM Contract			
	Amount	NMGRT	Total
Current	791,844.00	64,832.23	856,676.23
Deductive CO	-46,163.00	-3,779.60	-49,942.60
Final Amount	745,681.00	61,052.63	806,733.63

The WCM sole source contract will include the work under the deductive change order outlined above as well as the work additional work required to extend the construction phase completion to November 27, 2015 and through project closeout as detailed in Table 3 below:

Table 3: Proposed Sole Source WCM Contract			
	Amount	NMGRT	Total
Transfer from Old Contract	46,163.00	3,779.60	49,942.60
Additional Work	78,750.00	6,447.66	85,197.66
Not to Exceed Amount	124,913.00	10,227.25	135,140.25

The 'not to exceed amount' is based on construction phase completion by November 27, 2015. Should construction phase be completed prior to November 27, 2015, a deductive change order will be issued for any unused portion of the contract value.

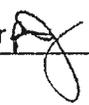
City of Santa Fe, New Mexico

memo

Date: January 22, 2015

To: Robert Rodarte, Purchasing Officer 

Via: Nick Schiavo, Public Utilities Department Director ^{NSA}

From: Robert Jorgensen, Engineer 

Item & Issue

Approval of a sole source contract with Weaver Construction Management in the amount not to exceed \$135,140.25 is requested.

Background

Weaver Construction Management (WCM) is under contract with the City of Santa Fe to provide construction management services for reservoir improvements. The construction management contract was entered into on June 6, 2011 with an expiration date of December 31, 2012 and included three phases: 1) pre-construction phase which was concurrent with engineering design was anticipated to take 90 - 120 calendar days; 2) construction phase services was anticipated to take 365 days; 3) project closeout phase was anticipated to take 30 calendar days.

The original project scope included new catwalk bridges from the dam crest to the vertical intake tower and the repair/replacement of intake valves at both McClure and Nichols dams. After an engineering evaluation of the vertical towers, the project scope was greatly expanded to completely replace the intake structures at each dam. The pre-construction phase went from 6 months to 24 months. The replacement intake structures required 9 months per dam to construct and required that the dam be drained during the work. Therefore sequential construction was required and the construction phase increase from 12 months to 24 months. The WCM contract was amended to accommodate these scope changes.

Construction at Nichols dam began in September 2013 and substantially completed in May 2014. The City issued a notice to proceed (NTP) with work at McClure dam to RMCI, the construction contractor, on November 7, 2014 along with a change order extending the contract completion date to November 27, 2015.

The WCM contract expires on June 5, 2015 prior to the completion of construction. Due to a 4 year term limit, the WCM contract cannot be extended.

Sole Source Contract

A sole source contract with WCM to complete construction phase and project close phase work will provide project continuity which is in the best interests of the City. Project continuity will ensure that construction quality is maintained throughout the project and will not require

mobilization and start-up costs required if a new vendor was selected. The original contract with WCM for construction management was procured through RFP '11/16/P and contract pricing is consistent with the original proposal.

Two alternatives to a sole source contract with WCM are described below along with the reasoning as to why they are not recommended:

- A. Let the WCM contract expire on June 5, 2015 and complete project management with City staff. The City may need to have limited specialized consulting services for soil and concrete inspection / consultation and have a full time person dedicated to the project. The City will not be licensed or capable of performing construction services as is WCM nor have the direct construction experience/expertise as does WCM. Delay in identifying and resolving contract issues or field problems may result in added costs and completion time and/or may reduce project quality.
- B. Issue RFP for CM services from June 6, 2015 through December 27, 2015. A new construction manager would have to mobilize setting up field office and have little time to get up to speed as project construction activities would be at or near peak levels. It is anticipated that a new construction manager would have added work as compared to WCM to research and review contract documents, inspections, and as-constructed drawings, test records, and other items.

A WCM sole source contract with a term from May 29, 2015 to December 27, 2015 in the amount not to exceed \$135,140.25 requested. The 'not to exceed amount' is based on a construction start date of February 2, 2015 and construction completion date of November 27, 2015 as outlined in attached WCM letter dated November 17, 2014. WCM will issue a credit of \$5,250 plus GRT for each full week that construction is completed prior to November 27, 2015.

A transition from the current WCM contract with a deductive change order and a WCM sole source contract is detailed in the attached worksheet.

Funding

Funding in the amount of \$49,942.60 will be available after the current WCM contract and P.O. 13140965 is closed. Funding in the amount of \$85,197.66 is available in BU/LI 52350.572970.

Recommendation

Approval of the sole source construction management contract in the amount not to exceed \$135,140.25 to complete work at McClure Dam and Reservoir is in the best interest of the City and is requested.

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Amend #2	0.00	0.00	0.00	598,408.87	365 Days	12/31/14	CM 11/19/13 Item #13-1191
CO-03*	238,722.00	19,545.36	258,267.36	856,676.23	365 Days	12/31/15	Council 3/26/14 Item #14-0117A
CO-04*	0.00	0.00	0.00	856,676.23	-209 Days	6/5/15	CM 5/21/14 Item #14-0349
Total	791,844.00	64,832.23	856,676.23				

Contract approved by Council on May 25, 2011 with WCM signature dated June 6, 2011

* Change Orders 03 & 04 signed concurrently on 5/21/14 by mayor/city manager respectively

In order to transition between the current WCM contract which expires on June 5, 2015 and a sole source contract with a term beginning in May 29, 2015 and extending through December 27, 2015, the current WCM contract will be modified with a deductive change order as detailed in Table 2 below.

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The WCM sole source contract will include the work under the deductive change order outlined above as well as the work additional work required to extend the construction phase to November 27, 2014 and through project closeout as detailed in Table 3 below.

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Not to Exceed Amount	124,913.00	10,227.25	135,140.25

The 'not to exceed amount' is based on construction completion by November 27, 2015. WCM will issue a credit of \$5,250 plus GRT for each full week that construction is completed prior to November 27, 2015.

SOLE SOURCE REQUEST AND DETERMINATION FORM

This form must be forwarded to the Purchasing Officer for the City of Santa Fe Purchasing Office for processing.

Date: January 22, 2015

Prepared By: Robert Jorgensen

Title: Engineer

Vendor Name: Weaver Construction Management

Address: 7911 Shaffer Parkway

City: Littleton

State: Colorado

Zip Code: 80127

Description of Good/Service to be Procured: Construction management services for McClure & Nichols Reservoirs Infrastructure Improvements CIP #3038 from

Estimated Cost: \$135,140.25**

Term of Contract: May 29, 2015 to
December 27, 2015

1. Explain why this is the only available source that can be meet the needs of your department.

Weaver Construction Management Inc. (WCM) is under contract to perform construction management services for the McClure & Nichols Reservoirs Infrastructure Improvements CIP #3038. The WCM construction management contract will terminate on June 5, 2015 prior to the anticipated McClure reservoir construction completion date of November 27, 2015.

A sole source contract with WCM for the period of May 29, 2015 through December 27, 2015 is in the best interest of the City. WCM has not been responsible for increased engineering scope which delayed construction start or the increased construction time for McClure reservoir work.

A sole source contract will provide construction management continuity which will benefit the City. WCM has a great deal of experience with the Nichols reservoir work which is directly applicable to McClure. A new vendor would not have this experience and would have to perform a significant amount of work getting up to speed and mobilize a field office.

2. Explain why this vendor is the only available source from which to obtain this product of service.

The company has affirmed (memo from vendor is attached) that there is no other source for this item. Our search for possible vendors proved unsuccessful; or

Other reason, please explain in full. Attach additional sheets, if necessary.

A sole source contract will provide construction management continuity which will benefit the City. WCM has a great deal of experience with the Nichols reservoir work which is directly applicable to McClure. A new vendor would not have this experience and would have to perform a significant amount of work getting up to speed and mobilize a field office.

3. Explain why the price is considered fair and reasonable.

The pricing is consistent with the Weaver Construction Management contract procured under RFP '11/16/P for which three proposals were received.

4. Describe the efforts made to obtain the best possible price from this sole source vendor for the taxpayers. What (if any) is the total cost savings from the original quote? (Attach additional sheets, if necessary.)

The pricing is consistent with the Weaver Construction Management contract procured under RFP '11/16/P for which three proposals were received.

** The sole source contract amount is not to exceed \$135,140.25. The current WCM contract will have a deductive change order in the amount of \$49,942.60 leaving a balance of \$85,197.66 that will require additional funding.

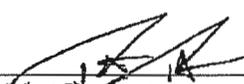
Approvals:

Based on the above facts, the Purchasing Office has made the determination that the justification for the Sole Source procurement is in accordance with Section 13-1-126, NMSA 1978 and will be posted for a 30-day period prior to award.


Robert Rodarte
Purchasing Officer

1/20/15
Date

Pursuant to Section 13-1-126, NMSA 1978, the 30-day posting period of the Notice of Intent to Award this Sole Source request was met and no obligation to the award to the above referenced contractor were received. This Sole Source determination will be valid for a period of one (1) year from the date of the award.



Robert Rodarte
Purchasing Director
City of Santa Fe

1/20/15
Date

Required Attachments:

- *Letter from Contractor, if applicable
- *Agenda Item to be presented to City Council if over \$50,000 for Professional Services and \$50,000 for Goods and Non-Professional Services

November 17, 2014

Robert Jorgensen, PE
 Engineer, Water Division
 City of Santa Fe
 801 W. San Mateo Rd.
 Santa Fe, NM 87505

RE: City of Santa Fe – Reservoir Infrastructure Improvements

Dear Mr. Jorgensen,

Pursuant to our conversations last week concerning our contract, we are submitting a Change Order request to cover our time and expense to extend our contract to December 27, 2015, one (1) month past RMCI, Inc.'s current contract completion date. This additional month is to cover contract close outs.

A change order has been issued to RMCI, Inc. to extend their contract to November 27, 2015 due to time required for dewatering McClure Reservoir and no work during the winter months. Weaver Construction Management's current contract expires June 30, 2015, thus requiring a 6 month time extension. The contract value of this change request is variable and dependent on when RMCI, Inc. resumes work, and an unwritten agreement with Weaver Construction Managements current contract value and time.

RMCI, Inc. Assumed Start Date	12/1/2014	1/1/2015	2/1/2015	3/1/2015
25 Weeks @ \$5,250.00/ Week	\$ 131,250.00	\$ 131,250.00	\$ 131,250.00	\$ 131,250.00
Less the Month of July *	\$ (21,000.00)	\$ (21,000.00)	\$ (21,000.00)	\$ (21,000.00)
1/2 December 2014 **		\$ (10,500.00)	\$ (10,500.00)	\$ (10,500.00)
Jan-15			\$ (21,000.00)	\$ (21,000.00)
Feb-15				\$ (21,000.00)
Subtotal	\$ 110,250.00	\$ 99,750.00	\$ 78,750.00	\$ 57,750.00
NMGRT @ 8.1875%	\$ 9,027.00	\$ 8,167.00	\$ 6,448.00	\$ 4,728.00
Net Change Order Amount	\$ 119,277.00	\$ 107,917.00	\$ 85,198.00	\$ 62,478.00

* The original contract change order extending the contract and amount was through July 31, 2014. The City of Santa Fe's Procurement Code could not extend our contract over Four (4) years, thus a revised Change Order was issued changing the date to June 30, 2014. Understanding we would have a One Month close out period, A verbal agreement between the City of Santa Fe and Weaver Construction Management was to leave the original dollar amount requested the same and that Weaver Construction Management would close out the contracts during July 2014 without a contract.

** Currently, RMCI, Inc. is planning on completing Nichols Punch list and remaining contract work that will take them through December 11, 2014.

Based on the above, Weaver Construction Management is requesting a Change order to extend our contract Six (6) Months to December 27, 2015, and increase our contract value in the amount not to exceed of One Hundred Ten Thousand Two Hundred Fifty Dollars (\$110,250.00) plus New Mexico Gross Receipts Tax. This amount not to exceed is based on RMCI, Inc.'s current contract completion of November 27, 2015.

If you have any questions, please feel free to contact me at your convenience.

Sincerely,

WEAVER CONSTRUCTION MANAGEMENT, INC.



Daniel K. East
Project Manager

CC: Wayne O'Brien – Garney Companies
Sean Voss – WCM/Garney (via Email)

CITY OF SANTA FE
PROFESSIONAL SERVICES AGREEMENT
CONSTRUCTION MANAGEMENT SERVICES

THIS AGREEMENT is made and entered into by and between the City of Santa Fe (the "City") and Weaver Construction Management Inc. (the "Contractor"). The date of this Agreement shall be the date when it is executed by the City and the Contractor, whichever occurs last.

RECITALS

A. The City and Weaver Construction Management, Inc. (WCM) entered into a professional services agreement for construction management services in modifying, replacing, or upgrading infrastructure at McClure dam and Nichols dam from pre-design through construction close-out as set forth in EXHIBIT "1-A" -- Professional Services Agreement with Weaver General Construction Co., approved 5/25/11 (Item#11-0439) and Amendments #1-4 (Item#13-0045, Item #13-1191, Item #14-0117A and Item #14-0349). The contract termination date is June 5, 2015.

B. Construction management services were procured under the request for proposal (RFP) process under RFP #'11/16/P. Contracts procured under the RFP process are limited to a maximum term of 4 years. Therefore the contract termination date of June 5, 2015 cannot be extended.

C. The pre-design phase and construction phase schedule was significantly extended due to complex nature of the project. The RMCI, Inc. construction completion date was extended to November 27, 2015 under Change Order No. 7 (Item #14-1164).

D. Pre-design phase services and construction phase services for Nichols dam was completed by WCM. Construction phase services for McClure dam are underway by WCM and will continue through June 5, 2015 under contract Item #11-0439. A deductive change order in the

amount of \$46,163.00 plus gross receipts tax will be issued by WCM under contract Item #11-0439.

E. Completion of construction management services under a sole source agreement with WCM is in the best interest of the City in order to maintain project continuity.

1. SCOPE OF SERVICES

The Contractor shall provide the following services for the City as set forth in EXHIBIT "1" – Detailed Work Plan:

(1) The Water Division requires construction management services in improvements for modifying, replacing or upgrading infrastructure at McClure dam and Nichols dam.

(2) The construction manager shall review plans and specifications, develop and prepare bid packages for construction trades contracts and equipment procurement contracts, assist in bidding, manage and administer all construction and equipment procurement contracts.

(3) Construction manager shall provide services similar to general contractor during construction and shall provide a full time superintendent to coordinate all trades, contractors, suppliers, and ensure that work meets cost, schedule, and quality requirements.

(4) Construction manager shall coordinate plant startup, assemble all operation and maintenance manuals and as-constructed data for submittal to consulting engineer.

(5) Provide on call assistance for the 1st year of operation.

(6) Provide project reports, documentation, and accounting.

2. STANDARD OF PERFORMANCE; LICENSES

A. The Contractor represents that Contractor possesses the personnel, experience and knowledge necessary to perform the services described under this Agreement.

B. The Contractor agrees to obtain and maintain throughout the term of this Agreement, all applicable professional and business licenses required by law, for itself, its employees, agents, representatives and subcontractors.

3. COMPENSATION

A. The City shall pay to the Contractor in full payment for services rendered, a sum not to exceed one hundred twenty four thousand nine hundred thirteen dollars (\$124,913.00), plus applicable gross receipts taxes. Payment shall be made for each phase as follows: Phase II -- Construction Phase at \$115,500 plus GRT; Phase III -- Project Closeout at \$9,413 plus GRT; Phase IV -- General Services cost is included in Phase III. The total project cost for construction management services to complete all work under WCM contract Item #11-0439 and this sole source contract shall not exceed \$870,594.00, plus applicable gross receipts taxes.

B. The Contractor shall be responsible for payment of gross receipts taxes levied by the State of New Mexico on the sums payable under this Agreement.

C. Payment shall be made upon receipt and approval by the City of detailed statements containing a report of services completed and accepted for each phase of the Project. Compensation shall be paid only for services actually performed. Payment shall be made in accordance with Paragraph A. above. The City shall pay the Contractor amounts not to exceed 95% of the sum properly allocable for each phase until that phase has been completed and deliverable products have been received and accepted by the City.

4. LIQUIDATED DAMAGES

A. The Contractor shall perform the work within the time shown for each Phase of the Project as follows: Phase II – Construction Phase shall be completed no later than November 27, 2015; Phase III – Project Closeout shall be completed no later than December 27, 2015. Time is of the essence, and if the Contractor fails to complete the work for each phase above, the Contractor agrees to pay the City the amount of one thousand dollars (\$1,000) for each day any phase remains uncompleted, not as a penalty, but as liquidated damages for breach of this Agreement. The amount of liquidated damages shall be withheld from the final payment to the Contractor. If the amount of liquidated damages exceeds the amount due, the Contractor agrees to pay the City the additional amount within 60 calendar days.

B. If the times for completion of any phase shown in Paragraph A. above are exceeded for reasons beyond the control of the Contractor, then the parties may agree to amend this Agreement to extend the time within which Contractor shall complete the project or phase thereof.

C. If the Contractor's services for the project are delayed or suspended in whole or part by the owner for more than one year for reasons beyond the Contractor's control, the Contractor's fee for remaining work shall be subject to equitable adjustment.

D. The parties agree that the Contractor is principally responsible for performing plan checks and verifications of quantities and computations before submitting final documents to the City. If, in the City's review of plans specifications, substantive errors and discrepancies are apparent, requiring the City to make detailed checks and verifications of the

Contractor's work, the Contractor agrees to pay the City the rate of \$60.00 per hour for the time spent by the City checking and verifying the Contractor's work.

E. The City shall issue to the Contractor a written authorization to proceed for each phase of the Project.

5. APPROPRIATIONS

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the City for the performance of this Agreement. If sufficient appropriations and authorization are not made by the City, this Agreement shall terminate upon written notice being given by the City to the Contractor. The City's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final.

6. TERM AND EFFECTIVE DATE

This Agreement shall be effective when signed by both parties and shall terminate on March 31, 2016, unless terminated sooner pursuant to Article 7 below.

7. TERMINATION

A. This Agreement may be terminated by the City upon 10 days written notice to the Contractor.

(1) The Contractor shall render a final report of the services performed up to the date of termination and shall turn over to the City original copies of all work product, research or papers prepared under this Agreement.

(2) If compensation is not based upon hourly rates for services rendered, the City shall pay the Contractor for the reasonable value of services satisfactorily performed through the date Contractor receives notice of such termination, and for which compensation has not already been paid.

(3) If compensation is based upon hourly rates and expenses, then Contractor shall be paid for services rendered and expenses incurred through the date Contractor receives notice of such termination.

8. STATUS OF CONTRACTOR; RESPONSIBILITY FOR PAYMENT OF EMPLOYEES AND SUBCONTRACTORS

A. The Contractor and its agents and employees are independent contractors performing professional services for the City and are not employees of the City. The Contractor, and its agents and employees, shall not accrue leave, retirement, insurance, bonding, use of City vehicles, or any other benefits afforded to employees of the City as a result of this Agreement.

B. Contractor shall be solely responsible for payment of wages, salaries and benefits to any and all employees or contractors retained by Contractor in the performance of the services under this Agreement.

9. DOCUMENTS

A. Ownership of Documents: All documents including, but not limited to tracings, drawings, estimates, field notes, investigations, design analysis, structural calculations and studies which are prepared in the performance of this Agreement are to be and remain the property of the City and are to be delivered to the City before the final payment is made to the Contractor. The Contractor is liable for their replacement if destroyed or lost prior to transferring possession to the City. Any use of these products by anyone other than the City for projects other than that which is the subject of this Agreement is strictly prohibited.

B. Reuse of Documents: All documents including drawings and specifications prepared or furnished by the Contractor (and the Contractor's independent professional associates and consultants) pursuant to this Agreement are instruments of service in respect of

the Project. Such documents are not intended or represented to be suitable for reuse by the City on any other project.

10. CONFIDENTIALITY

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the City.

11. CONFLICT OF INTEREST

The Contractor warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. Contractor further agrees that in the performance of this Agreement no persons having any such interests shall be employed.

12. ASSIGNMENT; SUBCONTRACTING

The Contractor shall not assign or transfer any rights, privileges, obligations or other interest under this Agreement, including any claims for money due, without the prior written consent of the City. The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the City.

13. RELEASE

The Contractor, upon acceptance of final payment of the amount due under this Agreement, releases the City, its officers and employees, from all liabilities, claims and obligations whatsoever arising from or under this Agreement. The Contractor agrees not to purport to bind the City to any obligation not assumed herein by the City unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

14. INSURANCE

A. The Contractor, at its own cost and expense, shall carry and maintain in full force and effect during the term of this Agreement, comprehensive general liability insurance covering bodily injury and property damage liability, in a form and with an insurance company acceptable to the City, with limits of coverage in the maximum amount which the City could be held liable under the New Mexico Tort Claims Act for each person injured and for each accident resulting in damage to property. Such insurance shall provide that the City is named as an additional insured and that the City is notified no less than 30 days in advance of cancellation for any reason. The Contractor shall furnish the City with a copy of a Certificate of Insurance or other evidence of Contractor's compliance with the provisions of this section as a condition prior to performing services under this Agreement.

B. Contractor shall also obtain and maintain Workers' Compensation insurance required by law to provide coverage for Contractor's employees throughout the term of this Agreement. Contractor shall provide the City with evidence of its compliance with such requirement.

C. Professional Responsibility and Liability: The Contractor shall sign and affix its seal to all reports, designs, plans, specifications, estimates and all other engineering and land surveying data prepared by the Contractor. The Contractor shall be fully responsible for the accuracy of all work prepared by Contractor. In the event that errors or omissions are discovered in the Contractor's work, the Contractor's responsibility shall include, but not be limited to, the following:

- (1) Upon Notification by the City of an error or omission, immediately

provide at no cost to the City all engineering services (and surveying services, if applicable) required to correct the error and/or omission.

(2) Assume the cost of any reconstruction required as a result of an error and/or omission discovered in the Contractor's work.

15. INDEMNIFICATION

The Contractor shall indemnify, hold harmless and defend the City from all losses, damages, claims or judgments on account of any suit, judgment, execution, claim, action or demand whatsoever arising from Contractor's performance under this Agreement as well as the performance of Contractor's employees, agents, representatives and subcontractors, including payments of all attorneys' fees and costs.

16. NEW MEXICO TORT CLAIMS ACT

Any liability incurred by the City of Santa Fe in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et. seq. NMSA 1978, as amended. The City and its "public employees" as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense and do not waive any limitation of liability pursuant to law. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act.

17. THIRD PARTY BENEFICIARIES

By entering into this Agreement, the parties do not intend to create any right, title or interest in or for the benefit of any person other than the City and the Contractor. No person shall claim any right, title or interest under this Agreement or seek to enforce this Agreement as a third party beneficiary of this Agreement.

18. RECORDS AND AUDIT

The Contractor shall maintain, throughout the term of this Agreement and for a period of three years thereafter, detailed records that indicate the date, time and nature of services rendered. These records shall be subject to inspection by the City, the New Mexico Department of Finance and Administration, and the State Auditor. The City shall have the right to audit any billing both before and after payment. Payment under this Agreement shall not foreclose the right of the City to recover excessive illegal payments.

19. APPLICABLE LAW; CHOICE OF LAW; VENUE

Contractor shall abide by all applicable federal and state laws and regulations, and all ordinances, rules and regulations of the City of Santa Fe. In any action, suit or legal dispute arising from this Agreement, the Contractor agrees that the laws of the State of New Mexico shall govern. The parties agree that any action or suit arising from this Agreement shall be commenced in a federal or state court of competent jurisdiction in New Mexico. Any action or suit commenced in the courts of the State of New Mexico shall be brought in the First Judicial District.

20. AMENDMENT

This Agreement shall not be altered, changed or modified except by an amendment in writing executed by the parties hereto.

21. SCOPE OF AGREEMENT

This Agreement incorporates all the agreements, covenants, and understandings between the parties hereto concerning the services to be performed hereunder, and all such agreements, covenants and understandings have been merged into this Agreement. This Agreement expresses the entire Agreement and understanding between the parties with respect to said services.

No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

22. NON-DISCRIMINATION

During the term of this Agreement, Contractor shall not discriminate against any employee or applicant for an employment position to be used in the performance of services by Contractor hereunder, on the basis of ethnicity, race, age, religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, physical or mental disability, medical condition, or citizenship status.

23. SEVERABILITY

In case any one or more of the provisions contained in this Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

24. EXHIBITS

The following Exhibits are attached to and made part of this agreement:

- A. EXHIBIT "1"
- B. EXHIBIT "1-A" – Professional Services Agreement with Weaver General Construction Co., approved 5/25/11 (Item#11-0439) and Amendments #1-4 (Item#13-0045, Item #13-1191, Item #14-0117A and Item #14-0349)

25. NOTICES

Any notices required to be given under this Agreement shall be in writing and served by personal delivery or by mail, postage prepaid, to the parties at the following addresses:

CITY OF SANTA FE: City of Santa Fe
Attn: Robert Jorgensen
801 West San Mateo Road
Santa Fe, NM 87505

CONTRACTOR: Weaver Construction Management, Inc.
Attn: Dan East
7911 Shaffer Parkway
Littleton, CO 80127

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below.

CITY OF SANTA FE:

CONTRACTOR:

JAVIER M. GONZALES, MAYOR

NAME & TITLE

DATE: _____

DATE: _____

CRS#02080058004
CITY OF SANTA FE BUSINESS
REGISTRATION# _____

ATTEST:

YOLANDA Y. VIGIL, CITY CLERK

APPROVED AS TO FORM:

MDM 2/23/15

KELLEY A. BRENNAN, CITY ATTORNEY

APPROVED:

OSCAR RODRIGUEZ, FINANCE DIRECTOR

52350.572970

EXHIBIT 1 - DETAILED WORK PLAN

Phase II-Construction Phase

Throughout our years of experience doing Construction Management and administrative duties on projects, we have developed many techniques for monitoring the construction phase, schedules, quality control and budget of the project. Following are techniques we are proposing, starting with the Preconstruction meeting.

Preconstruction Meeting

Conduct preconstruction meeting addressing the following:

- Safety - Safety will be emphasized with zero incidents and accidents on projects as our goal. We require copies of all safety plans from contractors, addressed on a weekly basis.
- Submittals - There will be a review of the submittal process and distribution. We will secure commitments from all parties with the intent of expediting submittals, particularly critical items, and track them as to who is responsible for that item.
- Project Layout - Review of project layout as to siting of trailers, material storage, general project set-up and cleanliness.
- Schedule of Values - Contractor's will submit their Schedule of Values to WGC and we will review assuring values are balanced and fair. If needed, we will ask for additional breakouts then make recommendations to the City regarding these Schedule of Values.
- Project Schedule - Schedule will be reviewed and discussed in detail in Item D of this proposal.
- Monthly Payment - Process will be discussed further in this RFP.

Weekly Meetings

Tom Baughman and Ronny Burst will conduct all weekly meetings and prepare the agenda and minutes. It is important that these meetings are attended by City representatives, Engineers and all contractors on site. Items of discussion will be:

- Safety - The overall project safety is documented noting any potential hazards or concerns that have developed in the prior week, with awareness of safety concerns.
- Critical submittals - Submittals that will affect the progress of the project are noted as to the status of the submittal and who is responsible for it at that particular time.
- Deliveries - Approximate delivery dates will be noted prior to approval of the submittal. Confirmed delivery dates will be noted once manufacturers receive their returned submittals and have committed to the dates. These dates will be tracked throughout the project and re-verified periodically.
- O&M manuals and close-out of project - It is important to assure manuals and proper paper work are kept current to not delay the project.
- Changes to the contract - Changes in either dollar amount or time would be noted. Any conflicts or potential changes will be addressed with the purpose of providing ample time to review them with Engineer and Owner. Alternatives to the problem will be reviewed to minimize dollar and time. If a change order is required, the Engineer will provide an Engineer Directive to be forwarded to the contractor, who will provide appropriate pricing information. We will review the information and make recommendations to Owner and Engineer. These items are kept on the minutes until they are resolved or converted into a change order.

- Progress Schedule -- The schedule will reference the overall CPM, noting the date of progress and where the overall project falls, including review of a short-term schedule prepared by the contractor. The schedules will be reviewed in detail so that no item exceeds the 3-week period. This allows us to monitor the exact dates of completion rather than showing work continuing beyond the length of the schedule.
- Action Items -- Action items from previous minutes will be reviewed, as well as any new items. All action items will be assigned a number based on the meeting date and will be left on the minutes, noting any action regarding that item each week. The item will be left on until it has been resolved. This enables us to track and resolve all issues.

Monthly Meetings

Weaver General Construction Co. will be present at monthly Public Utilities Committee meetings. Because of our experience on other projects, we are familiar with the format of these meetings and our requirements for presentation. We are prepared to discuss the progress of the project and note problems or concerns and assist the staff of the treatment Plant.

Change Orders

As mentioned above in the Weekly Meetings, we address all changes to the contract on a current basis. When it is determined a change order is required, we prepare our own estimate to compare with what the contractor is submitting.

- If the price is fair, we will prepare the change order to be submitted to the City for processing. If the price is not fair, we will discuss it further with the contractor, reviewing his pricing and providing additional documentation to support the difference. If we don't agree with the contractor and do not want to recommend the change to the Owner, the documents allow us to direct the contractor to proceed on a "Time and Material" (T&M) basis. I would like to point out that since we are a contractor as well as a Construction Manager, we are quite familiar with current pricing.
- The T&M approach is not a negative approach as in some cases, we have not agreed with the contractor on pricing as our estimate was significantly lower than theirs. When the actual work was accomplished and the documentation done, the overall cost of the change order was very close to our estimate and not the contractors. This provided substantial savings to the Owner. For example; On the Black Hawk/Central City WWTP, the Owner requested a contractor to submit a price for additional grade beams to a structure. Their price was \$21,000 and when we priced it, we estimated \$7,000. The contractor's price was 3 times greater than what we thought was fair. After attempting to negotiate and failing a lump sum change order with the contractor, we directed them to proceed on a time and material basis. On a time and material basis, we document work progress on daily work records and use pre-established labor rates and equipment. When this additional work was summarized, it was approximately \$7,500 which was close to our estimate of \$7,000. This saved the Owner over \$14,000.
- We will prepare change orders and procure all required signatures for the Owners approval.

Review of Submittals and Shop Drawings

Horace Myers of Weaver General Construction Co. has been with Weaver for 20 years and is a licensed engineer. Mr. Myers reviews submittal information at the same time as the Engineer. His comments will be directed to the Engineer to summarize in one returned comment sheet to the contractor. It will be noted at the Pre-Construction meeting that we expect the contractor to thoroughly review his own submittals. It has been our experience that most contractors pass them over with little or no review, which can cause multiple reviews of the same submittal and cause a delay to the project.

Monthly Billings

The monthly billings of all trade contractors and suppliers will be coordinated by Weaver General Construction Co. The contractor is required to submit their bill directly to WGC and we review the progress of the work, quality, and material that has been delivered to the site. These pay applications will be signed off by our Superintendent Ronny Burst, and the Project Manager. They will be summarized in an organized monthly billing supplemented by a monthly report. The monthly report will include pay requests, daily logs, inspections, and any engineer reports that were received during the months work. A current letter noting up-coming concerns will be noted, as well as current photos of the project. These will be bound for ease of inspection by all involved.

Project Documentation

Ronny will provide documentation based on the following techniques;

- Continuous daily inspections will be conducted, noting discrepancies regarding contract documents to the contractor. Any deviation from the contract documents will be addressed to the Engineer and if required, the Engineer will visit the site to discuss the discrepancy and look for alternatives.
- Daily records, photos and as-builts will be maintained in conjunction with the contractor.
- Ronny will submit Field Directives or Engineer Directives to the contractor keeping record of these directives on site.
- Request for Information (RFI) will be received in the field and forwarded to the Engineer and City with our comments. The RFI will be tracked and logged. We have established a form that has worked very well on other projects and expedites responses to the Engineer and back.
- If needed, Ronny will prepare a non-conformance report noting to the City and Engineer what we believe to be work that does not meet the intent of the contract.
- We will request and coordinate meetings to resolve issues. Issues can be discussed and resolved at the weekly meetings to minimize cost from the Engineer.
- All testing required by the contract documents will be coordinated through Ronny and the contractor. We will maintain copies of all test results on-site as well as in the corporate office to maintain duplicate documentation. Any test failing its required strength or compaction, will be noted at weekly meetings and corrective action will be addressed.
- Weaver will keep copies of all permits on site, such as Building Permit, 404, Storm Water Permit, Dewatering Permit, all of which will be secured by the contractor and Weaver will provide additional review to note their compliance.

Phase III-Project Closeout

Weaver General Construction will be responsible for coordinating the contractors and the manufacturer's representative of the equipment suppliers. A complete project start-up schedule needs to be prepared approximately 4 months prior to the completion of project. This allows sufficient time for the manufacturers and contractors involved to prepare the proper outlines and training schedules for their equipment. It also allows the operators sufficient time to review the O&M manuals and overall plant manual prepared by the Engineer, prior to start-up. If video taping is needed, Weaver can provide this service as well.

O&M Manuals

As noted in the weekly meeting format, the O&M manuals are discussed from the onset of the project and are monitored throughout the project. We require manuals in Division 1 to be delivered 30 days after the approved submittal and will have manuals completed prior to the installation of the equipment. This allows the installing contractor time to review the manuals as well as the operators. Many times, we have found the O&M manuals to be in conflict with the installing instructions that are received with the equipment. O&M manuals will not be delivered to the Owner until the end of the project. The preliminary manuals and review will be accomplished during the project.

Record Drawings

The record drawings will be summarized at the completion of the project. As noted earlier, they will be reviewed during the monthly pay estimate review by the Superintendent and will be kept current and reviewed on a monthly basis. The Engineer will be requested to review these documents on a monthly basis during the progress of the project. We will submit the as-built information to the Engineer for them to prepare electronic copies for the Owners use.

Punch-list

When the contractor indicates he has completed the work, Weaver will coordinate with the Engineer to establish the final punch list which will then be submitted to the contractor. When the contractor indicates these items have been completed, Weaver will do a final walk with the contractor, inform the Engineer and Owner if the work has been completed and recommend final acceptance.

Post Construction

After the completion of the project we will initiate the warranty period. Weaver will conduct a meeting with contractors, operators and Engineer to discuss warranty procedures. The operator is responsible for submitting the warranty request to Weaver. The warranty request formats established by our firm, requests the operator specify, in as much detail as possible, the item malfunctioning and that they have reviewed this and believe it is not a maintenance issue. The form is then submitted to Weaver who will send it to the appropriate contractor or supplier. We will coordinate the repair work for this item. Once repaired, the contractor and/or supplier will have the operator sign-off to substantiate the item has been repaired. This is emailed or faxed to Weaver who logs it as completed. One month prior to the expiration of the warranty period, a walk-through is performed by the City, operators, Engineer, contractor and Weaver. Any outstanding items will be noted along with new items, prior to the expiration of the warranty period.

Phase IV-General Services

Project records of all accounting, contractual and O&M manuals are kept on file for an excess of 7 years. In cases where we have been the repetitive Construction Manager, we've maintained instruction records from the time we started working for them. For example; with the Town of Parker, we have records dating back to 1987. For the City of Santa Fe, we have maintained records on the wastewater plants since 1989. These records are organized and easily accessible and we can comply with the audit request of 3 years after final payment.

- We have never been late with unemployment insurance, workers compensation and social security since initiation. Our payroll personnel is excellent, and has been working in this position for 26 years.
- We are familiar with all Federal and Local Laws and ordinances regarding the City of Santa Fe for both water and wastewater. We have worked in this industry for more than 30 years and have noted the changes within the law.
- Regarding the acceptance of responsibility for damages from errors and omissions or negligence, we have always been responsible for our actions and work.
- We carry the proper insurance that is necessary for this contract. On all projects, we hold the City and authorized agents harmless. We maintain liability insurance as addressed. Refer to Item F for Certificate of Insurance.
- We hold all current licenses as required by the C.L.D.; New Mexico GF 98 and GB98 License #85775 and DOL Labor Fund #0155492010813.

EXHIBIT "1-A"

EXHIBIT "1-A" – Professional Services Agreement with Weaver Construction Management, Inc. approved on May 25, 2011 (Item #11-0439) and amendments (Item# 13-0045, Item #13-1191, Item #14-0117A, Item #14-0349).



City of Santa Fe Summary of Contracts, Agreements, & Amendments

Section to be completed by department for each contract or contract amendment

1 **FOR:** ORIGINAL CONTRACT or CONTRACT AMENDMENT

2 Name of Contractor Weaver Construction Management Inc

3 Complete information requested Plus GRT
 Inclusive of GRT

Original Contract Amount: \$124,913.00

Termination Date: March 31, 2016

Approved by Council Date: Pending

or by City Manager Date: _____

Contract is for: Reservoir Construction management extension of BID PSA

Amendment # _____ to the Original Contract# _____

Increase/(Decrease) Amount \$ _____

Extend Termination Date to: _____

Approved by Council Date: Pending

or by City Manager Date: _____

Amendment is for:

4 **History of Contract & Amendments:** (option: attach spreadsheet if multiple amendments) Plus GRT
 Inclusive of GRT

Amount \$ 124,913.00 of original Contract# _____ Termination Date: _____

Reason: _____

Amount \$ _____ amendment # _____ Termination Date: _____

Reason: _____

Amount \$ _____ amendment # _____ Termination Date: _____

Reason: _____

Amount \$ _____ amendment # _____ Termination Date: _____

Reason: _____

Total of Original Contract plus all amendments: \$ 124,913



**City of Santa Fe
Summary of Contracts, Agreements, & Amendments**

5 Procurement Method of Original Contract: (complete one of the lines)

RFP# 11/15/P Date: April 7, 2011

RFQ _____ Date: _____

Sole Source _____ Date: _____

Other Term of PSA and BID has expired.. Project not complete. Extending for 1 year.

6 Procurement History: _____
example: (First year of 4 year contract)

7 Funding Source: Water Division **BU/Line Item:** 52350.57297

8 Any out-of-the ordinary or unusual issues or concerns:
none
(Memo may be attached to explain detail.)

9 Staff Contact who completed this form: Maya Martinez
Phone # _____ -4271

10 Certificate of Insurance attached. (if original Contract)

Submit to City Attorney for review/signature

Forward to Finance Director for review/signature
Return to originating Department for Committee(s) review or forward to City Manager for review
and approval (depending on dollar level).

To be recorded by City Clerk:

Contract # _____

Date of contract Executed (i.e., signed by all parties): _____

Note: If further information needs to be included, attach a separate memo.

Comments:

CITY OF SANTA FE

PROFESSIONAL SERVICES AGREEMENT

CONSTRUCTION MANAGEMENT SERVICES



THIS AGREEMENT is made and entered into by and between the City of Santa Fe (the "City") and Weaver General Construction Co. (the "Contractor"). The date of this Agreement shall be the date when it is executed by the City and the Contractor, whichever occurs last.

1. SCOPE OF SERVICES

The Contractor shall provide the following services for the City as set forth in EXHIBIT "A", Scope of Work:

- (1) The Water Division requires construction management services in improvements for modifying, replacing or upgrading infrastructure at McClure dam and Nichols dam from pre-design through construction close-out.
- (2) The construction manager shall review plans and specifications, develop and prepare bid packages for construction trades contracts and equipment procurement contracts, assist in bidding, manage and administer all construction and equipment procurement contracts.
- (3) Construction manager shall provide services similar to general contractor during construction and shall provide a full time superintendent to coordinate all trades, contractors, suppliers, and ensure that work meets cost, schedule, and quality requirements.
- (4) Construction manager shall coordinate plant startup, assemble all operation and maintenance manuals and as-constructed data for submittal to consulting engineer.
- (5) Provide on call assistance for the 1st year of operation.
- (6) Provide project reports, documentation, and accounting.

2. STANDARD OF PERFORMANCE; LICENSES

A. The Contractor represents that Contractor possesses the personnel, experience and knowledge necessary to perform the services described under this Agreement.

B. The Contractor agrees to obtain and maintain throughout the term of this Agreement, all applicable professional and business licenses required by law, for itself, its employees, agents, representatives and subcontractors.

3. COMPENSATION

A. The City shall pay to the Contractor in full payment for services rendered, a sum not to exceed Five Hundred Forty Nine Thousand Five Hundred Fifty dollars (\$549,550.00), plus applicable gross receipts taxes. Payment shall be made for each Phase I, II, III or IV, rendered in accordance with EXHIBIT "B", Payments and Construction Management Cost Summary.

B. The Contractor shall be responsible for payment of gross receipts taxes levied by the State of New Mexico on the sums payable under this Agreement.

C. Payment shall be made upon receipt and approval by the City of detailed statements containing a report of services completed and accepted for each phase of the Project. Compensation shall be paid only for services actually performed. Payment shall be made in accordance with the Construction Management Cost Summary for each phase, EXHIBIT "B", attached hereto. The City shall pay the Contractor amounts not to exceed 95% of the sum properly allocable for each phase until that phase has been completed and deliverable products have been received and accepted by the City.

4. LIQUIDATED DAMAGES

A. The Contractor shall perform the work within the time shown for each

Phase of the Project, as shown in the Project Schedule in EXHIBIT "C", attached hereto and made a part hereof. Time is of the essence, and if the Contractor fails to complete the work for each phase in accordance with the Project Schedule in EXHIBIT "C", the Contractor agrees to pay the City the amount of one thousand dollars (\$1000) for each day any Phase remains uncompleted, not as a penalty, but as liquidated damages for breach of this Agreement. The amount of liquidated damages shall be withheld from the final payment to the Contractor. If the amount of liquidated damages exceeds the amount due, the Contractor agrees to pay the City the additional amount within 60 calendar days.

B. If the times for completion of any phase shown on the Project Schedule, EXHIBIT "C", attached hereto, are exceeded for reasons beyond the control of the Contractor, then the parties may agree to amend this Agreement to extend the time within which Contractor shall complete the project or phase thereof.

C. If the Contractor's services for the project are delayed or suspended in whole or part by the owner for more than one year for reasons beyond the Contractor's control, the Contractor's fee for remaining work shall be subject to equitable adjustment.

D. The parties agree that the Contractor is principally responsible for performing plan checks and verifications of quantities and computations before submitting final documents to the City. If, in the City's review of plans specifications, substantive errors and discrepancies are apparent, requiring the City to make detailed checks and verifications of the Contractor's work, the Contractor agrees to pay the City the rate of \$60.00 per hour for the time spent by the City checking and verifying the Contractor's work.

E. The City shall issue to the Contractor a written authorization to proceed for each phase of the Project.

5. APPROPRIATIONS

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the City for the performance of this Agreement. If sufficient appropriations and authorization are not made by the City, this Agreement shall terminate upon written notice being given by the City to the Contractor. The City's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final.

6. TERM AND EFFECTIVE DATE

This Agreement shall be effective when signed by the City and the Contractor, whichever occurs last, and shall terminate on December 31, 2012, unless terminated sooner pursuant to Article 7 below.

7. TERMINATION

A. This Agreement may be terminated by the City upon 10 days written notice to the Contractor.

(1) The Contractor shall render a final report of the services performed up to the date of termination and shall turn over to the City original copies of all work product, research or papers prepared under this Agreement.

(2) The City shall pay the Contractor for the reasonable value of services satisfactorily performed through the date Contractor receives notice of such termination, and for which compensation has not already been paid.

8. STATUS OF CONTRACTOR: RESPONSIBILITY FOR PAYMENT OF EMPLOYEES AND SUBCONTRACTORS

A The Contractor and its agents and employees are independent contractors performing professional services for the City and are not employees of the City. The Contractor, and

its agents and employees, shall not accrue leave, retirement, insurance, bonding, use of City vehicles, or any other benefits afforded to employees of the City as a result of this Agreement.

B. Contractor shall be solely responsible for payment of wages, salaries and benefits to any and all employees or contractors retained by Contractor in the performance of the services under this Agreement.

9. DOCUMENTS

A. Ownership of Documents: All documents including, but not limited to tracings, drawings, estimates, field notes, investigations, design analysis, structural calculations and studies which are prepared in the performance of this Agreement are to be and remain the property of the City and are to be delivered to the City before the final payment is made to the Contractor. The Contractor is liable for their replacement if destroyed or lost prior to transferring possession to the City. Any use of these products by anyone other than the City for projects other than that which is the subject of this Agreement is strictly prohibited.

B. Reuse of Documents: All documents including drawings and specifications prepared or furnished by the Contractor (and the Contractor's independent professional associates and consultants) pursuant to this Agreement are instruments of service in respect of the Project. Such documents are not intended or represented to be suitable for reuse by the City on any other project.

10. CONFIDENTIALITY

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the City.

11. CONFLICT OF INTEREST

The Contractor warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. Contractor further agrees that in the performance of this Agreement no persons having any such interests shall be employed.

12. ASSIGNMENT; SUBCONTRACTING

The Contractor shall not assign or transfer any rights, privileges, obligations or other interest under this Agreement, including any claims for money due, without the prior written consent of the City. The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the City.

13. RELEASE

The Contractor, upon acceptance of final payment of the amount due under this Agreement, releases the City, its officers and employees, from all liabilities, claims and obligations whatsoever arising from or under this Agreement. The Contractor agrees not to purport to bind the City to any obligation not assumed herein by the City unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

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A. The Contractor, at its own cost and expense, shall carry and maintain in full force and effect during the term of this Agreement, comprehensive general liability insurance covering bodily injury and property damage liability, in a form and with an insurance company acceptable to the City, with limits of coverage in the maximum amount which the City could be held liable under the New Mexico Tort Claims Act for each person injured and for each accident resulting in damage to property. Such insurance shall provide that the City is named as an

additional insured and that the City is notified no less than 30 days in advance of cancellation for any reason. The Contractor shall furnish the City with a copy of a Certificate of Insurance or other evidence of Contractor's compliance with the provisions of this section as a condition prior to performing services under this Agreement.

B. Contractor shall also obtain and maintain Workers' Compensation insurance required by law to provide coverage for Contractor's employees throughout the term of this Agreement. Contractor shall provide the City with evidence of its compliance with such requirement.

C. Professional Responsibility and Liability: The Contractor shall sign and affix its seal to all reports, designs, plans, specifications, estimates and all other engineering and land surveying data prepared by the Contractor. The Contractor shall be fully responsible for the accuracy of all work prepared by Contractor. In the event that errors or omissions are discovered in the Contractor's work, the Contractor's responsibility shall include, but not be limited to, the following:

(1) Upon Notification by the City of an error or omission, immediately provide at no cost to the City all engineering services (and surveying services, if applicable) required to correct the error and/or omission.

(2) Assume the cost of any reconstruction required as a result of an error and/or omission discovered in the Contractor's work.

15. INDEMNIFICATION

The Contractor shall indemnify, hold harmless and defend the City from all losses, damages, claims or judgments on account of any suit, judgment, execution, claim, action or demand whatsoever arising from Contractor's performance under this Agreement as well as the performance of

Contractor's employees, agents, representatives and subcontractors, including payments of all attorneys' fees and costs.

16. NEW MEXICO TORT CLAIMS ACT

Any liability incurred by the City of Santa Fe in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et. seq. NMSA 1978, as amended. The City and its "public employees" as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense and do not waive any limitation of liability pursuant to law. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act.

17. THIRD PARTY BENEFICIARIES

By entering into this Agreement, the parties do not intend to create any right, title or interest in or for the benefit of any person other than the City and the Contractor. No person shall claim any right, title or interest under this Agreement or seek to enforce this Agreement as a third party beneficiary of this Agreement.

18. RECORDS AND AUDIT

The Contractor shall maintain, throughout the term of this Agreement and for a period of three years thereafter, detailed records that indicate the date, time and nature of services rendered. These records shall be subject to inspection by the City, the New Mexico Department of Finance and Administration, and the State Auditor. The City shall have the right to audit any billing both before and after payment. Payment under this Agreement shall not foreclose the right of the City to recover excessive illegal payments.

19. APPLICABLE LAW; CHOICE OF LAW; VENUE

Contractor shall abide by all applicable federal and state laws and regulations, and

all ordinances, rules and regulations of the City of Santa Fe. In any action, suit or legal dispute arising from this Agreement, the Contractor agrees that the laws of the State of New Mexico shall govern. The parties agree that any action or suit arising from this Agreement shall be commenced in a federal or state court of competent jurisdiction in New Mexico. Any action or suit commenced in the courts of the State of New Mexico shall be brought in the First Judicial District.

20. AMENDMENT

This Agreement shall not be altered, changed or modified except by an amendment in writing executed by the parties hereto.

21. SCOPE OF AGREEMENT

This Agreement incorporates all the agreements, covenants, and understandings between the parties hereto concerning the services to be performed hereunder, and all such agreements, covenants and understandings have been merged into this Agreement. This Agreement expresses the entire Agreement and understanding between the parties with respect to said services. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

22. NON-DISCRIMINATION

During the term of this Agreement, Contractor shall not discriminate against any employee or applicant for an employment position to be used in the performance of services by Contractor hereunder, on the basis of ethnicity, race, age, religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, physical or mental disability, medical condition, or citizenship status.

23. SEVERABILITY

In case any one or more of the provisions contained in this Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

24. EXHIBITS

The following Exhibits are attached to and made part of this agreement:

- A. EXHIBIT A -- Scope of Services
- B. EXHIBIT B -- Construction Management Cost Summary
- C. EXHIBIT C -- Schedule
- D. EXHIBIT D -- Insurance Certificates

25. NOTICES

Any notices required to be given under this Agreement shall be in writing and served by personal delivery or by mail, postage prepaid, to the parties at the following addresses:

CITY OF SANTA FE: City of Santa Fe
Attn: Robert Jorgensen
801 West San Mateo Road
Santa Fe, NM 87505

CONTRACTOR: Weaver General Construction Co.
3679 So. Huron St., Suite 404
Englewood, CO 80110

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below.

CITY OF SANTA FE:

David Coss
DAVID COSS, MAYOR

5-31-11
DATE

CONTRACTOR: WEAVER
GENERAL CONSTRUCTION CO.

ATTEST:

Yolanda Y. Vigil
YOLANDA Y. VIGIL, CITY CLERK
certfy 5/25/11

By: Whitby Whome
6-6-11
DATE

APPROVED AS TO FORM:

Judith Amorfor
GENO ZAMORA, CITY ATTORNEY
5/9/11

N.M. Taxation & Revenue
CRS # 02080058004

City of Santa Fe Business
Registration # 11-00103349

APPROVED:

Kathryn Raveling
KATHRYN RAVELING, FINANCE DIRECTOR
52350.572970

EXHIBITS

**CONSTRUCTION MANAGEMENT SERVICES
FOR
RESERVOIR INFRASTRUCTURE IMPROVEMENTS
PHASE 1, CIP #3038, RFP '11/16/P**

EXHIBIT A – SCOPE OF SERVICES (DETAILED WORK PLAN -- 7 PAGES)

**EXHIBIT B – CONSTRUCTION MANAGEMENT COST SUMMARY
(SCHEDULE OF HOURLY RATES & COSTS – 6 PAGES)**

EXHIBIT C – SCHEDULE (PROJECT SCHEDULE -- 2 PAGES)

EXHIBIT D – INSURANCE CERTIFICATES (2 PAGES)

EXHIBIT A -- DETAILED WORK PLAN

Weaver General Construction Co. has performed Construction Management services by developing unique approaches to maintain control of the project and provide accurate estimates, documentation, and budget control.

Phase 1-Pre-Construction Phase

- Budget Control -- It is imperative to keep the project on budget throughout the design phase. To achieve this task, we prepare a construction estimate based off preliminary design drawings. Our preliminary estimates have been within 2% - 5% of the final bid price, based on actual experience. We are able to achieve this because of our experience in performing as both Construction Managers and General Contractors. During design, the Engineer provides progress drawings at 30%, 60% and 90%. A constructability review is performed at each phase with recommendations of alternate material and construction methods for the Engineer and Owner to review along with the relative cost differences between them. We recommend at 60%, that the Engineers prepare a cost estimate as well to be reviewed. We will establish our own estimate and note the comparisons.
- We will attend the design meetings and document them in minutes, noting all design concerns from Owner and operators. These items will be checked off as plans proceed to assure noted items have been addressed. At the 90% mark, we recommend a complete review of each sheet and detail of the plans, and each page of the specifications. Items of concern will be noted to the Engineer for correction. These reviews will require two meetings; one for the plans and details and an additional meeting for the specifications. All participants will receive the documents at least one week prior to the meeting.
- As Construction Manager, we develop bid packages to attract bidders to receive the most competitive bids and to entice local involvement. We would assist the City and Engineer in developing portions of the specifications to procure major pieces of equipment prior to the balance of the bid packages being developed. Because the critical path of the construction is based on the delivery of this equipment, it is important to fast track these portions of the project by allowing the Engineer to complete the specific specifications related to this equipment and allow us to develop the bid packages and bid them separately. This allows contractors and subcontractors bidding the project to know specifically what equipment they are installing since they will be bidding at a later date. During the bidding of a project some suppliers of equipment may tie-up numerous pieces of equipment which increases the cost of the project. Because of our experience, and the approach we take to develop these bid packages for procurement of equipment, we are able to eliminate this and pass savings on to the Owner. This format also allows the Owner and operators to review bids received of all the major equipment and in some cases, the operators may choose not to go with the low bid because of personal preferences.

Bidding and Award

- We will assist the Owner with all the advertising requirements, coordination, printing and distribution of construction documents. Many times, the Engineer controls printing of the documents and then sells the documents to bidders. We have found that by requiring only a deposit, we have more bidders involved. In many cases, this has saved the Owner thousands versus having the engineer control the printing. In either case, we will assist the Owner and Engineer in distribution of these documents.
- We will serve as the focal point for any questions during the bidding process, and address any contractual issues. Engineering or technical issues will be forwarded to the Engineer for comment and these questions will be added to the Addendum.
- We will coordinate the pre-bid meeting by providing an agenda for the meeting, address Owners concerns and contractual type questions, and refer all technical questions to the Engineer. We will also assist the Engineer in preparing Addendums for the bidding documents.
- Contractors are contacted via email, phone, fax and advertising to receive the most competitive bid. Because of our data base and experience in New Mexico, we are familiar with many subcontractors and general contractors. If you were to contact RMCI or Triad Builders of New Mexico regarding our management abilities on project sites, both firms have indicated they would like to bid projects where we are involved. Contact Mike Base with Triad and Ronny Giannelli with RMCI.
- We will be in attendance and provide assistance to the City in the opening and reading of bids. We will provide bid tabs and assist in recapping bids with Purchasing. We will review bids with the Engineer and Owner and make recommendation for the award of contractors to the responsible contractor.
- We will prepare and administrate contracts to assure they are written in compliance with the Contract Documents and are covered in the bid packages. These will be prepared and submitted to the contractors and Owner for signatures. We are responsible for assuring that the proper insurance, performance and payment bonds and all other State and City requirements are received, prior to issuance of the Notice to Proceed.
- Bid packages are written so that the Notice to Proceed (NIP) is staggered. For example; the equipment package NIP is written after the approval of submittal documents. The manufacturers are required to submit their submittal within thirty days of award of contract. Based on the schedule, we review when to issue the NIP to the manufacturer. This is sequenced to allow the equipment to be fabricated and delivered to the site when needed.
- The equipment supplier bid packages will include liquidated damages, if the equipment is not delivered to the site on time. This type of approach assists in accuracy of scheduling and delivery of the equipment.

Phase II-Construction Phase

Throughout our years of experience doing Construction Management and administrative duties on projects, we have developed many techniques for monitoring the construction phase, schedules, quality control and budget of the project. Following are techniques we are proposing, starting with the Preconstruction meeting.

Preconstruction Meeting

Conduct preconstruction meeting addressing the following:

- Safety – Safety will be emphasized with zero incidents and accidents on projects as our goal. We require copies of all safety plans from contractors, addressed on a weekly basis.
- Submittals – There will be a review of the submittal process and distribution. We will secure commitments from all parties with the intent of expediting submittals, particularly critical items, and track them as to who is responsible for that item.
- Project Layout – Review of project layout as to sighting of trailers, material storage, general project set-up and cleanliness.
- Schedule of Values – Contractor's will submit their Schedule of Values to WGC and we will review assuring values are balanced and fair. If needed, we will ask for additional breakouts then make recommendations to the City regarding these Schedule of Values.
- Project Schedule – Schedule will be reviewed and discussed in detail in Item D of this proposal.
- Monthly Payment - Process will be discussed further in this RFP.

Weekly Meetings

Tom Baughman and Ronny Burst will conduct all weekly meetings and prepare the agenda and minutes. It is important that these meetings are attended by City representatives, Engineers and all contractors on site. Items of discussion will be:

- Safety – The overall project safety is documented noting any potential hazards or concerns that have developed in the prior week, with awareness of safety concerns.
- Critical submittals – Submittals that will affect the progress of the project are noted as to the status of the submittal and who is responsible for it at that particular time.
- Deliveries – Approximate delivery dates will be noted prior to approval of the submittal. Confirmed delivery dates will be noted once manufacturers receive their returned submittals and have committed to the dates. These dates will be tracked throughout the project and re-verified periodically.
- O&M manuals and close-out of project – It is important to assure manuals and proper paper work are kept current to not delay the project.
- Changes to the contract – Changes in either dollar amount or time would be noted. Any conflicts or potential changes will be addressed with the purpose of providing ample time to review them with Engineer and Owner. Alternatives to the problem will be reviewed to minimize dollar and time. If a change order is required, the Engineer will provide an Engineer Directive to be forwarded to the contractor, who will provide appropriate pricing information. We will review the information and make recommendations to Owner and Engineer. These items are kept on the minutes until they are resolved or converted into a change order.

- Progress Schedule -- The schedule will reference the overall CPM, noting the date of progress and where the overall project falls, including review of a short-term schedule prepared by the contractor. The schedules will be reviewed in detail so that no item exceeds the 3-week period. This allows us to monitor the exact dates of completion rather than showing work continuing beyond the length of the schedule.
- Action Items -- Action items from previous minutes will be reviewed, as well as any new items. All action items will be assigned a number based on the meeting date and will be left on the minutes, noting any action regarding that item each week. The item will be left on until it has been resolved. This enables us to track and resolve all issues.

Monthly Meetings

Weaver General Construction Co. will be present at monthly Public Utilities Committee meetings. Because of our experience on other projects, we are familiar with the format of these meetings and our requirements for presentation. We are prepared to discuss the progress of the project and note problems or concerns and assist the staff of the treatment Plant.

Change Orders

As mentioned above in the Weekly Meetings, we address all changes to the contract on a current basis. When it is determined a change order is required, we prepare our own estimate to compare with what the contractor is submitting.

- If the price is fair, we will prepare the change order to be submitted to the City for processing. If the price is not fair, we will discuss it further with the contractor, reviewing his pricing and providing additional documentation to support the difference. If we don't agree with the contractor and do not want to recommend the change to the Owner, the documents allow us to direct the contractor to proceed on a "Time and Material" (T&M) basis. I would like to point out that since we are a contractor as well as a Construction Manager, we are quite familiar with current pricing.
- The T&M approach is not a negative approach as in some cases, we have not agreed with the contractor on pricing as our estimate was significantly lower than theirs. When the actual work was accomplished and the documentation done, the overall cost of the change order was very close to our estimate and not the contractors. This provided substantial savings to the Owner. For example; On the Black Hawk/Central City WWTF, the Owner requested a contractor to submit a price for additional grade beams to a structure. Their price was \$21,000 and when we priced it, we estimated \$7,000. The contractor's price was 3 times greater than what we thought was fair. After attempting to negotiate and failing a lump sum change order with the contractor, we directed them to proceed on a time and material basis. On a time and material basis, we document work progress on daily work records and use pre-established labor rates and equipment. When this additional work was summarized, it was approximately \$7,500 which was close to our estimate of \$7,000. This saved the Owner over \$14,000.
- We will prepare change orders and procure all required signatures for the Owners approval.

Review of Submittals and Shop Drawings

Horace Myers of Weaver General Construction Co. has been with Weaver for 20 years and is a licensed engineer. Mr. Myers reviews submittal information at the same time as the Engineer. His comments will be directed to the Engineer to summarize in one returned comment sheet to the contractor. It will be noted at the Pre-Construction meeting that we expect the contractor to thoroughly review his own submittals. It has been our experience that most contractors pass them over with little or no review, which can cause multiple reviews of the same submittal and cause a delay to the project.

Monthly Billings

The monthly billings of all trade contractors and suppliers will be coordinated by Weaver General Construction Co. The contractor is required to submit their bill directly to WGC and we review the progress of the work, quality, and material that has been delivered to the site. These pay applications will be signed off by our Superintendent Ronny Burst, and the Project Manager. They will be summarized in an organized monthly billing supplemented by a monthly report. The monthly report will include pay requests, daily logs, inspections, and any engineer reports that were received during the months work. A current letter noting up-coming concerns will be noted, as well as current photos of the project. These will be bound for ease of inspection by all involved.

Project Documentation

Ronny will provide documentation based on the following techniques;

- Continuous daily inspections will be conducted, noting discrepancies regarding contract documents to the contractor. Any deviation from the contract documents will be addressed to the Engineer and if required, the Engineer will visit the site to discuss the discrepancy and look for alternatives.
- Daily records, photos and as-builts will be maintained in conjunction with the contractor.
- Ronny will submit Field Directives or Engineer Directives to the contractor keeping record of these directives on site.
- Request for Information (RFI) will be received in the field and forwarded to the Engineer and City with our comments. The RFI will be tracked and logged. We have established a form that has worked very well on other projects and expedites responses to the Engineer and back.
- If needed, Ronny will prepare a non-conformance report noting to the City and Engineer what we believe to be work that does not meet the intent of the contract.
- We will request and coordinate meetings to resolve issues. Issues can be discussed and resolved at the weekly meetings to minimize cost from the Engineer.
- All testing required by the contract documents will be coordinated through Ronny and the contractor. We will maintain copies of all test results on-site as well as in the corporate office to maintain duplicate documentation. Any test failing its required strength or compaction, will be noted at weekly meetings and corrective action will be addressed.
- Weaver will keep copies of all permits on site, such as Building Permit, 404, Storm Water Permit, Dewatering Permit, all of which will be secured by the contractor and Weaver will provide additional review to note their compliance.

Phase III-Project Closeout

Weaver General Construction will be responsible for coordinating the contractors and the manufacturer's representative of the equipment suppliers. A complete project start-up schedule needs to be prepared approximately 4 months prior to the completion of project. This allows sufficient time for the manufacturers and contractors involved to prepare the proper outlines and training schedules for their equipment. It also allows the operators sufficient time to review the O&M manuals and overall plant manual prepared by the Engineer, prior to start-up. If video taping is needed, Weaver can provide this service as well.

O&M Manuals

As noted in the weekly meeting format, the O&M manuals are discussed from the onset of the project and are monitored throughout the project. We require manuals in Division 1 to be delivered 30 days after the approved submittal and will have manuals completed prior to the installation of the equipment. This allows the installing contractor time to review the manuals as well as the operators. Many times, we have found the O&M manuals to be in conflict with the installing instructions that are received with the equipment. O&M manuals will not be delivered to the Owner until the end of the project. The preliminary manuals and review will be accomplished during the project.

Record Drawings

The record drawings will be summarized at the completion of the project. As noted earlier, they will be reviewed during the monthly pay estimate review by the Superintendent and will be kept current and reviewed on a monthly basis. The Engineer will be requested to review these documents on a monthly basis during the progress of the project. We will submit the as-built information to the Engineer for them to prepare electronic copies for the Owners use.

Punch-list

When the contractor indicates he has completed the work, Weaver will coordinate with the Engineer to establish the final punch list which will then be submitted to the contractor. When the contractor indicates these items have been completed, Weaver will do a final walk with the contractor; inform the Engineer and Owner if the work has been completed and recommend final acceptance.

Post Construction

After the completion of the project we will initiate the warranty period. Weaver will conduct a meeting with contractors, operators and Engineer to discuss warranty procedures. The operator is responsible for submitting the warranty request to Weaver. The warranty request formats established by our firm, requests the operator specify, in as much detail as possible, the item malfunctioning and that they have reviewed this and believe it is not a maintenance issue. The form is then submitted to Weaver who will send it to the appropriate contractor or supplier. We will coordinate the repair work for this item. Once repaired, the contractor and/or supplier will have the operator sign-off to substantiate the item has been repaired. This is emailed or faxed to Weaver who logs it as completed. One month prior to the expiration of the warranty period, a walk-through is performed by the City, operators, Engineer, contractor and Weaver. Any outstanding items will be noted along with new items, prior to the expiration of the warranty period.

Phase IV-General Services

Project records of all accounting, contractual and O&M manuals are kept on file for an excess of 7 years. In cases where we have been the repetitive Construction Manager, we've maintained instruction records from the time we started working for them. For example; with the Town of Parker, we have records dating back to 1987. For the City of Santa Fe, we have maintained records on the wastewater plants since 1989. These records are organized and easily accessible and we can comply with the audit request of 3 years after final payment.

- We have never been late with unemployment insurance, workers compensation and social security since initiation. Our payroll personnel is excellent, and has been working in this position for 26 years.
- We are familiar with all Federal and Local Laws and ordinances regarding the City of Santa Fe for both water and wastewater. We have worked in this industry for more than 30 years and have noted the changes within the law.
- Regarding the acceptance of responsibility for damages from errors and omissions or negligence, we have always been responsible for our actions and work.
- We carry the proper insurance that is necessary for this contract. On all projects, we hold the City and authorized agents harmless. We maintain liability insurance as addressed. Refer to Item H for Certificate of Insurance.
- We hold all current licenses as required by the C.I.D.; New Mexico GF 98 and GB98 License #85775 and DOL Labor Fund #0155492010813.

EXHIBIT B - SCHEDULE OF HOURLY RATES & COSTS

The enclosed Exhibit B depicts our hourly rates and projects our total estimated overhead costs and field costs that generate the contract amount based on a \$5 million budget.

Exhibit B

Schedule of Hourly Rates & Costs for the Solids Handling

Reservoir Infrastructure

Budget Cost:

\$5,000,000

Description of work	Hours for each team member for each phase of work							
	Wes Weaver Principal	Tom Baughman PM	Ronny Burst On site Rep	Horace M Proj Eng	Bruce H. Estimator	Lori S. Proj Asst.	Beth M. Cost Control	
& on site labors								
Phase I Pre-Construction								
Review Plans & Specs	15	15	30	35	55	10		
Schedule	5	15	10			15		
Budget	10	20	10	25	60	8	3	
Constructability Review Meetings	20	30	15	40	30	3	20	
Phase I Bidding & Award								
Review Docs	25	45	15	10	50	20		
Bid to Major Equip	15	25	5		15	10		
Bid to Contractors	15	25	5	15	25	10		
Review Bids & Recommend Presentations	10	25	5		20	10		
Phase II Construction								
Weekly Meetings	96	418				270		
On Site Administrator			2036.33			45		
Schedule updates		50				250		
Shop Drawing Review		30		350		55		
RFI Review		50				20	15	
Change Order Reviews	65	80					115	
Monthly Billing Review	50	80						
Proj. Updates to Boards	40	40	20			65		
Phase III Project Closeout		80	20					
Total Man Hours	421	1111	2232.33	475	265	841	133	
Cost Per Hour	\$65	\$58	\$43	\$35	\$45	\$35	\$40	
Cost w/Modifier of 1.4	\$38,311	\$90,213	\$134,386	\$23,275	\$16,065	\$41,209	\$7,448	
Total Labor								\$350,907
Costs of Materials								
See Exhibit A		\$13,500	\$89,143					\$98,643
Total Costs & Overhead								\$449,550
Fee of 2%								\$100,000
Total Cost and Fee								\$549,550
Schedule of Values of each Phase								
Pre Construction		\$32,447						
Construction		\$447,690						
Project Closeout		\$9,413						
General Services		Inc in close out						
		\$549,550						

FEE PROPOSAL

Our fee proposal is based on the construction rehabilitation of the McClure and Nichols Reservoirs outlet structures and required piping. There are many possibilities of accomplishing the construction. These issues can be discussed during team meetings. This includes eliminating the outlet structure towers by using a valve system or sloped outlet structure, if the reservoir needs to be released in different water conditions requiring multiple gates and control systems. This type of construction was successfully done on a project in Wyoming where the outlet structure was on the slope of the dam and eliminated the bridge. The construction of the sloped conduit was easier than the construction of the vertical tower and bridges; as it was difficult to deliver the bridges to the site. Our fee was based on a proposal utilizing the budget of \$5 million.

The proposed fee is similar to the format we proposed on recent projects for the City of Santa Fe for different modifications to the Canyon Road Water Treatment Plant, as well as other work at the wastewater treatment facility. In general, there are two forms of compensation for Weaver General Construction Co., a Guaranteed Not to Exceed Reimbursable Cost for all costs of on-site expenses and the fee for Compensation of Overhead and Profit. Exhibit A explains the cost of the Not to Exceed Reimbursable. These on-site reimbursable are similar to what a General Contractor incorporates into Division 1 and/or management portion of a project for on-site costs such as; superintendent, trailers, etc. This guaranteed dollar amount is for the total amount of the Exhibit and not guaranteed by line item budget. The costs will be billed on a monthly basis as they are expended on the project. At the conclusion of the project any remaining dollars will be returned to the City in the form of a deductive change order. If the total costs of the General Conditions or Reimbursable exceed the Guaranteed Maximum, they will be absorbed by WGC.

The proposed fee for overhead is approximately 4% based, on a \$5 million construction budget. The profit portion of the fee is 2%, based on a \$5 million construction budget. Therefore the total contract budget would be:

Total Fees:	Exhibit A	\$233,029
	Overhead of 4%	\$216,521
	Profit of 2%	\$100,000
	TOTAL	\$549,550 (plus GRT)

EXHIBIT C

PROJECT SCHEDULE

Enclosed is an example of a Milestone Schedule that is generated shortly after discussions with the Owner and Engineer regarding the Overall Schedule. Once we have a better understanding of the actual design and review time required by the agencies we will develop the final Milestone Schedule.

We utilize two forms of scheduling to control performance of the project; Critical Path Method (CPM) schedule, utilizes SureTrak software and is compatible with all Primavera software. A preliminary schedule is developed immediately upon award of the contract and will be reviewed at the first team meeting to establish critical milestone items. The preliminary schedule is reviewed by all team members including Owner, Engineer, and Construction Manager, for their acceptance. The Project Manager and Superintendent expand the overall CPM schedule to include detailed construction activities. We feel we are unique in this approach as the on-site Superintendent develops the schedule logic. Other companies have scheduling departments that simply provide schedules for their Superintendent to follow.

- We will modify Division 1 of the specifications to assure contractors participate in a detailed construction schedule utilizing our overall CPM schedule. We meet with contractors; discuss the schedule in detail and required sequencing. We then formulate the schedule with their input. The contractors review the schedule and make any necessary comments. Once the project schedule has been agreed to by all team members, the contractors sign the project schedule, which becomes part of their contract.
- Our second schedule is a short term 3-week schedule with more specific detail than the CPM schedule. This schedule is developed with input from the contractors on site and our Superintendent. Our Superintendent reviews all data from contractors and suppliers, formulates a short term schedule with their input, and in conjunction with the CPM. The 3-week schedule is discussed at weekly coordination meeting, with all contractors, Owner, and Engineer. This is a particularly important instrument as it also considers the Owners requirements of the treatment plant facility and coordination of their on-going operation. Our uniqueness to this approach is that we review the past short-term schedule first to monitor what work was scheduled and how we performed, and then the new upcoming short term schedule is discussed.
- We have a proven track record of maintaining schedule. Our experience in scheduling has been well documented in our references. The Canyon Water Treatment Plant Filter Expansion project was finished on schedule, despite an extremely tight time line. Currently, we are managing the Canyon Road Residuals Handling Project which is on the original Milestone Schedule that was developed prior to bid.

ITEM # 13.0045

**CITY OF SANTA FE
AMENDMENT No. 1 TO
PROFESSIONAL SERVICES AGREEMENT**

AMENDMENT No. 1 (the "Amendment") to the CITY OF SANTA FE PROFESSIONAL SERVICES AGREEMENT, dated May 25, 2011 (the "Agreement"), between the City of Santa Fe (the "City") and Weaver General Construction Co. (the "Contractor"). The date of this Amendment shall be the date when it is executed by the City and the Contractor, whichever occurs last.

RECITALS

A. Under the terms of the Agreement, Contractor has agreed to provide professional services and deliverables to the City.

B. Pursuant to Article 18 of the Agreement, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the City and the Contractor agree as follows:

1. COMPENSATION.

Change Order #1 in the amount of \$3,864.46 including gross receipts tax was approved on April 16, 2012. Article 3A of the Agreement now reads in its entirety:

A. The City shall pay to the Contractor in full payment for services rendered, a sum not to five hundred ninety-eight thousand four hundred eight dollars and eighty-seven cents (\$598,408.87), plus applicable gross receipts taxes. Payment shall be made for each Phase I, II, III or IV, rendered in accordance with Exhibit "B", Payments and Construction Management Cost Summary.

2. TERM.

Article 5 of the Agreement is amended to extend the term of the

Agreement, so that Article 5 reads in its entirety as follows:

This Agreement shall terminate on December 31, 2013 unless terminated pursuant to Paragraph 6, infra.

3. AGREEMENT IN FULL FORCE.

Except as specifically provided in this Amendment, the Agreement remains and shall remain in full force and effect, in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Amendment No.2 to the City of Santa Fe Professional Services Agreement as of the dates set forth below.

CITY OF SANTA FE:

By: Robert Romero
ROBERT ROMERO, CITY MANAGER

Date: 1. 3. 13

ATTEST:

Yolanda Y. Vigil
YOLANDA Y. VIGIL, CITY CLERK

CONTRACTOR:
Weaver General Construction Co.

Tom Ballman
NAME & TITLE (Tom Ballman)
PROJECT MANAGER

Date: JANUARY 11, 2012

APPROVED AS TO FORM:

Judith Amer for
GENO ZAMORA, CITY ATTORNEY

APPROVED: 12/28/12

Melville L. Morgan
DR. MELVILLE L. MORGAN, FINANCE DIRECTOR

52350.572970
Business Unit/Line Item

12/28/12

ITEM # 13-1191

**CITY OF SANTA FE
AMENDMENT No. 2 TO
PROFESSIONAL SERVICES AGREEMENT**

AMENDMENT No. 2 (the "Amendment") to the CITY OF SANTA FE PROFESSIONAL SERVICES AGREEMENT, dated May 25, 2011 (the "Agreement"), between the City of Santa Fe (the "City") and Weaver General Construction Co. (the "Contractor"). The date of this Amendment shall be the date when it is executed by the City.

RECITALS

A. Under the terms of the Agreement, Contractor has agreed to provide professional services and deliverables to the City.

B. Pursuant to Article 18 of the Agreement, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the City and the Contractor agree as follows:

1. TERM.

Article 5 of the Agreement is amended to extend the term of the Agreement, so that Article 5 reads in its entirety as follows:

This Agreement shall terminate on December 31, 2014 unless terminated pursuant to Paragraph 6, infra.

2. AGREEMENT IN FULL FORCE.

Except as specifically provided in this Amendment, the Agreement remains and shall remain in full force and effect, in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Amendment No.2 to the

City of Santa Fe Professional Services Agreement as of the dates set forth below.

CITY OF SANTA FE:

CONTRACTOR:
WEAVER GENERAL



BRIAN K. SNYDER, CITY MANAGER

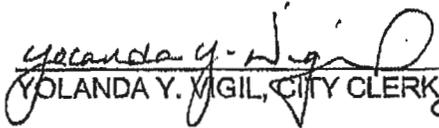


NAME & TITLE (CENTRAL/MAN, Project Manager)

Date: 11-19-13

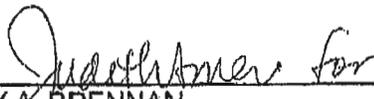
Date: DECEMBER 9, 2013

ATTEST:



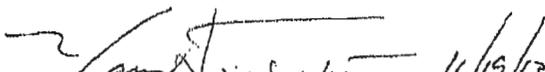
YOLANDA Y. VIGIL, CITY CLERK P.O.

APPROVED AS TO FORM:



KELLEY A. BRENNAN, INTERIM CITY ATTORNEY 11/18/13

APPROVED:



MARCOS A. TAPIA, FINANCE DIRECTOR 11/19/13

62350.572970
Business Unit/Line Item

ITEM # 14-0117 A

CHANGE ORDER

for:

Professional Services Agreement, Item #110439

TO: Weaver Construction Management, Inc.
7911 Shaffer Parkway
Littleton, CO 80127

Contract: CM Services
Change Order No.: 03
Date: February 12, 2014

You are hereby directed to make the following changes in this Contract:

- | | |
|--|---------------------|
| 1. Perform the modifications and/or change of Scope as described in the attached Change Order Schedule of Items, page 2. | \$238,722.00 |
| 2. New Mexico Gross Receipts Tax @ 8.1875% | \$19,545.36 |
| TOTAL CHANGE ORDER AMOUNT: | |
| | \$258,267.36 |
3. Extend the Contract Term from December 31, 2014 to December 31, 2015.

The work covered by this order shall be performed under the same terms and conditions as that which is included in the original Contract.

ORIGINAL CONTRACT SUM	\$594,544.41
NET CHANGE BY PREVIOUS CHANGE ORDERS	\$3,884.46
CONTRACT SUM PRIOR TO THIS CHANGE ORDER	\$598,408.87
CONTRACT SUM WILL BE (INCREASED) (DECREASED) BY THIS CHANGE ORDER	\$258,267.36
NEW CONTRACT SUM INCLUDING THIS CHANGE ORDER	\$856,676.23

CHANGES APPROVED:

Construction Manager:
Weaver Construction Management, Inc.
By: [Signature]
Title: CONTRACT R. EAST PROJ. MGR
Date: 5/27/14

Owner:
City of Santa Fe
Water Division Project Manager
By: [Signature] Date: 6-12-14
Water Division Director / Public Utilities Director
By: [Signature] Date: 6-14-14
Finance Director
By: [Signature] Date: 5/19/14
City Attorney
By: [Signature] Date: 2/19/14
City Manager / Mayor
By: [Signature] Date: 5/21/14
City Clerk
By: [Signature] Date: 6-20-14

**SANTA FE RESERVOIRS INFRASTRUCTURE IMPROVEMENTS PROJECT
WEAVER CONSTRUCTION MANAGEMENT, INC.
CHANGE ORDER NO. 03
SCHEDULE OF ITEMS**

1.	Procure printing services for the printing of the Contract Documents for the Project Team and Pre-Qualified Bidders on behalf of COSF.	\$2,235.00
2.	Furnish and Install a temporary Pump System for the Acequia Del Llano Irrigation system.	\$1,880.00
3.	Procure professional surveying services for the Nichols Reservoir on behalf of COSF.	\$8,805.00
4.	Procure professional archaeological services for the Nichols Reservoir on behalf of COSF.	\$ 452.00
5.	Provide forty-three (43) weeks of additional Project Management and Site Representative Services through to July 1, 2018.	\$225,760.00
6.	SCHEDULE OF ITEMS TOTAL:	\$238,722.00

CHANGE ORDER

ITEM # 14-0349

for:

Professional Services Agreement, Item #110439

TO: Weaver Construction Management, Inc.
7911 Shaffer Parkway
Littleton, CO 80127

Contract: CM Services
Change Order No.: 04
Date: May 9, 2014

You are hereby directed to make the following changes in this Contract:

- 1. Reduce the Contract Term from December 31, 2015 to June 5, 2015.

The work covered by this order shall be performed under the same terms and conditions as that which is included in the original Contract.

ORIGINAL CONTRACT SUM	\$594,544.41
NET CHANGE BY PREVIOUS CHANGE ORDERS	\$3,864.46
CONTRACT SUM PRIOR TO THIS CHANGE ORDER	\$856,678.23
CONTRACT SUM WILL BE (INCREASED) (DECREASED) BY THIS CHANGE ORDER	\$0
NEW CONTRACT SUM INCLUDING THIS CHANGE ORDER	\$856,678.23

CHANGES APPROVED:

Construction Manager:
Weaver Construction Management, Inc.

By: [Signature]
Title: Proj. Mgr.
Date: 5/12/14

Owner:
City of Santa Fe

Water Division Project Manager
By: [Signature] Date: 5/19/14

Water Division Director / Public Utilities Director
By: [Signature] Date: 5/15/14

Finance Director
By: [Signature] Date: 5/2/14

City Attorney
By: [Signature] Date: 5/20/14

City Manager
By: [Signature] Date: 5-21-14

City Clerk
By: [Signature] Date: 5-29-14