

## **SECTION 00500 - AGREEMENT**

**THIS AGREEMENT** is dated as of the 18 day of April in the year 2018 by and between the City of Maricopa organized and existing under and by virtue of the laws of the State of Arizona (hereinafter called OWNER) and Breinholt Contracting Co., Inc. (hereinafter called CONTRACTOR). OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

### **Article 1 WORK**

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

Heritage District Demolition

### **Article 2 \*ENGINEER**

The OWNER has Engineers on staff who are hereinafter called the ENGINEER and who is to assume all duties and responsibilities of and have the rights and authority assigned to the ENGINEER in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents. \*Please note: The City of Maricopa has an Engineer on staff.

### **Article 3 CONTRACT TIMES**

- 3.1 The Work will be Substantially Completed within fifteen (15) calendar days after the date when the Contract Times commence to run as provided in paragraph 2.3 of the General Conditions, and Complete and ready for final payment in accordance with paragraph 14.13 of the General Conditions within thirty (30) calendar days after the date when the Contract Time commences to run.
- 3.2 Liquidated Damages. OWNER and CONTRACTOR recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if the Work is not completed within the times specified in paragraph 3.1 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. They also recognize the delays, expense and difficulties involved in proving the actual loss suffered by OWNER if the Work is not completed on time. Accordingly, instead of requiring any such proof, OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty) CONTRACTOR shall pay OWNER per MAG Specification Section 108.9 (Table 108.9, "Failure to Complete On Time") for each day that expires after the time specified in paragraph 3.1 for Substantial Completion until the Work is substantially complete. After Substantial Completion, if CONTRACTOR shall neglect, refuse or fail to complete the remaining Work within the time specified in paragraph 3.1 for completion and readiness for final payment or any proper extension thereof granted by OWNER, CONTRACTOR shall pay OWNER per MAG Specification Section 108.9 (Table 108.9, "Failure to Complete On Time"), stated below, for each day that expires after the time specified in paragraph 3.1 for completion and readiness for final payment.

**108.9 FAILURE TO COMPLETE ON TIME:**

| <b>TABLE 108-1</b>              |                  |                            |
|---------------------------------|------------------|----------------------------|
| <b>LIQUIDATED DAMAGES</b>       |                  |                            |
| <b>Original Contract Amount</b> |                  | <b>Daily Charges</b>       |
| From More Than                  | To and Including | Calendar Day or Fixed Date |
| \$ 0                            | \$ 25,000        | \$ 210                     |
| 25,000                          | 50,000           | \$250                      |
| 50,000                          | 100,000          | \$280                      |
| 100,000                         | 500,000          | \$430                      |
| 500,000                         | 1,000,000        | \$570                      |
| 1,000,000                       | 2,000,000        | \$710                      |
| 2,000,000                       | 5,000,000        | \$1,070                    |
| 5,000,000                       | 10,000,000       | \$1,420                    |
| 10,000,000                      | —                | \$1,780                    |

**Article 4 CONTRACT PRICE**

OWNER shall pay CONTRACTOR for completion of the Work in accordance with the Contract Documents an amount in current funds in accordance with the Bid Form.

**Article 5 PAYMENT PROCEDURES**

5.1 CONTRACTOR shall submit to OWNER and ENGINEER for review Applications for Payment covering Work performed during the preceding calendar month. OWNER and CONTRACTOR mutually agree that OWNER will make a progress payment based on a duly certified (by ENGINEER) and approved (by a duly authorized representative of OWNER) estimate of the Work covered by the corresponding Application for Payment, subject to those conditions stipulated below, in the General Conditions and in other parts of the Contract Documents.

5.1.1 Until the aggregate value of the duly certified and approved Applications for Payment equals fifty percent (50%) of the Contract Price (i.e. 50% completion), OWNER will make payments in an amount equal to 90% of Work completed (i.e. OWNER will retain 10% of each estimate as additional guarantee for complete performance of the Work), less the aggregate of payments previously made and less such deductions as ENGINEER or OWNER determines are appropriate to cover claims requiring a greater sum to be retained (as provided in paragraph 5.3 and elsewhere in the Contract Documents);

5.1.2 Upon fifty percent (50%) completion, one-half of the amounts retained under the 10% retainage provision set forth in Section 5.1.1 above shall be paid to CONTRACTOR, provided CONTRACTOR is making satisfactory progress on the Work and there is no specific cause or claim requiring a greater amount to be retained. After fifty percent

(50%) completion, OWNER will retain five percent (5%) of each estimate providing CONTRACTOR is making satisfactory progress, coupled with such deductions as OWNER determines are appropriate to cover claims requiring a greater sum to be retained. If at any time OWNER, with the advice of ENGINEER, determines satisfactory progress is not being made, ten percent (10%) retainage shall be reinstated for all subsequent payments, in accordance with A.R.S. § 34-221.

5.1.3 Except as qualified in paragraph 5.1.2, upon final completion and acceptance of the Work, or designated part of the Work on which separate final completion and acceptance and Contract Price are specified and upon compliance with all other terms and conditions of the Contract Documents, payment may be made in full, including retainage withheld, less such deductions as ENGINEER may recommend or OWNER may withhold to cover claims requiring a greater sum to be retained and liquidated damages.

5.2 In lieu of retention, OWNER will, at the option of CONTRACTOR, accept security, as provided in A.R.S. § 34-221.

5.3 OWNER may deduct from each progress payment and final payment an amount equal to OWNER's estimate of the liquidated damages then due or that would become due based on OWNER's estimate of late completion of the Work, provided CONTRACTOR fails to submit and implement a written schedule recovery plan describing the cause of schedule slippage or delayed progress and the actions proposed and taken to recover schedule.

#### **Article 6 INTEREST**

All moneys not paid when due as provided in Article 14 of the General Conditions shall bear interest in accordance with A.R.S. §34-221(J).

#### **Article 7 CONTRACTOR'S REPRESENTATIONS**

In order to induce OWNER to enter into this Agreement, CONTRACTOR makes the following representations:

7.1 CONTRACTOR has examined and carefully studied the Contract Documents (including the Addenda listed in paragraph 8) and the other related data identified in the Bidding Documents.

7.2 CONTRACTOR has visited the site and become familiar with and is satisfied as to the general, local and site conditions that may affect cost, progress, performance or furnishing of the Work.

7.3 CONTRACTOR is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, performance and furnishing of the Work.

7.4 CONTRACTOR has carefully studied all reports of explorations and tests of subsurface conditions at or contiguous to the site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the site (except Underground Facilities). CONTRACTOR acknowledges that such reports and drawings are not Contract Documents and may not be complete for CONTRACTOR's purposes. CONTRACTOR acknowledges that OWNER and ENGINEER do not assume responsibility for the accuracy or completeness of information

and data shown or indicated in the Contract Documents with respect to Underground Facilities at or contiguous to the site. CONTRACTOR has obtained and carefully studied (or assumes responsibility for having done so) examinations, investigations, explorations, tests, studies and data concerning conditions (surface, subsurface and Underground Facilities) at or contiguous to the site or otherwise which may affect cost, progress, performance or furnishing all the Work or which relate to any aspect of the means, methods, techniques, sequences and procedures of construction to be employed by CONTRACTOR and safety precautions and programs incident thereto. CONTRACTOR does not consider that any additional examinations, investigations, explorations, tests, studies or data are necessary for the performance and furnishing of the Work at the Contract Price, within the Contract Times and in accordance with the other terms and conditions of the Contract Documents.

- 7.5 CONTRACTOR is aware of the general nature of work to be performed by OWNER and others at the site that relates to the Work as indicated in the Contract Documents.
- 7.6 CONTRACTOR has correlated the information known to CONTRACTOR, information and observations obtained from visits to the site, reports and drawings identified in the Contract Documents and all additional examinations, investigations, explorations, tests, studies and data with the Contract Documents.
- 7.7 CONTRACTOR has given OWNER and ENGINEER written notice of all conflicts, errors, ambiguities or discrepancies that CONTRACTOR has discovered in the Contract Documents and the written resolution thereof by ENGINEER, as approved by OWNER, is acceptable to CONTRACTOR, and the Contract Documents are sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

*(The remainder of this page is left intentionally blank)*

## **Article 8 CONTRACT DOCUMENTS**

The Contract Documents which comprise the entire agreement between OWNER and CONTRACTOR concerning the Work consist of the following:

- 8.1 This Agreement (pages 00500-1 to 00500-8, inclusive).
- 8.2 Addenda numbers \_\_\_\_ to \_\_\_\_, inclusive.
- 8.3 Performance Bond (pages 00610-1 to 00610-4, inclusive) and Payment Bond (pages 00620-1 to 00620-3, inclusive.)
- 8.4 Notice of Award and Notice to Proceed.
- 8.5 Change orders.
- 8.6 General Conditions.
- 8.7 Special Provisions and Exhibits
- 8.8
- 8.9 CONTRACTOR's Bid Form (pages 00300-1 to 00300-8, inclusive).
- 8.10 CONTRACTOR's List of Subcontractors (page 00330-1).
- 8.11 CONTRACTOR's Schedule of Manufacturers and Suppliers of Major Equipment and Material Items (page 00340-1).
- 8.12 Bidder's Questionnaire (pages 00320-1 to 00320-7, inclusive).
- 8.13 CONTRACTOR's Non-collusion Affidavit (pages 00360 - 1 to 00360-2, inclusive).
- 8.14 The following which may be delivered or issued after the Effective Date of the Agreement and are not attached hereto:

All Written Amendments and other documents amending, modifying or supplementing the Contract Documents pursuant to paragraphs 3.5 and 3.6 of the General Conditions.

The documents listed in paragraphs 8.2 et seq. above are attached to this Agreement (except as expressly noted otherwise above).

There are no Contract Documents other than those listed above in this Article 8. The Contract Documents may only be amended, modified or supplemented as provided in paragraphs 3.5 and 3.6 of the General Conditions.

## **Article 9 MISCELLANEOUS**

- 9.1 Terms used in this Agreement which are defined in Article 1 of the General Conditions will have the meanings indicated in the General Conditions.
- 9.2 No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.
- 9.3 OWNER and CONTRACTOR each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect to all covenants, agreements and obligations contained in the Contract Documents.
- 9.4 Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon OWNER and CONTRACTOR, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.
- 9.5 The terms and conditions of this Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona. Any action at law or in equity brought by either party for the purpose of enforcing a right or rights provided for in this Agreement shall be tried in a court of competent jurisdiction in Pinal County, State of Arizona. The parties hereby waive all provisions of law providing for a change of venue in such proceeding to any other county. In the event either party shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition in this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs including: all litigation and appeal expenses, collection expenses, reasonable attorneys' fees, necessary witness fees and court costs to be determined by the court in such action.
- 9.6 CONTRACTOR understands and acknowledges the applicability to it of the Immigration Reform and Control Act of 1986. Under the provisions of A.R.S. § 41-4401, CONTRACTOR hereby warrants to the City that the CONTRACTOR and each of its subcontractors ("Subcontractor") will comply with, and are contractually obligated to comply with, all Federal Immigration laws and regulations that relate to their employees and A.R.S. § 23-214(A) (hereinafter "Immigration Warranty"). A breach of the Immigration Warranty shall constitute a material breach of this Agreement and shall subject CONTRACTOR to penalties up to and including termination of this Agreement at the sole discretion of the City. The City retains the legal right to inspect the papers of any CONTRACTOR or Subcontractor employee who works on this Agreement to ensure that CONTRACTOR or Subcontractor is complying with the Immigration Warranty. CONTRACTOR agrees to assist the City in regard to any such inspections. The City may, at its sole discretion, conduct random verification of the employment records of the CONTRACTOR and any of

subcontractors to ensure compliance with Immigration Warranty. CONTRACTOR agrees to assist the City in regard to any random verification performed.

Neither CONTRACTOR nor any Subcontractor shall be deemed to have materially breached the Immigration Warranty if they establish that it has complied with the employment verification provisions prescribed by Sections 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. § 23-214(A).

The provisions of this paragraph must be included in any contract CONTRACTOR enters into with any and all of its subcontractors who provide services under this Agreement or any subcontract. "Services" is defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor.

- 9.7 This Agreement and any attachments represent the entire agreement between OWNER and CONTRACTOR and supersede all prior negotiations, representations or agreements, either expressed or implied, written or oral. It is mutually understood and agreed that no alteration or variation of the terms and conditions of this Agreement shall be valid unless made in writing and signed by the parties hereto. Written and signed amendments shall automatically become part of the Agreement, and shall supersede any inconsistent provision therein; provided, however, that any apparent inconsistency shall be resolved, if possible, by construing the provisions as mutually complementary.
- 9.8 The failure of either party to insist in any one or more instances on performance of any of the terms or conditions of this Agreement or to exercise any right or privilege contained herein shall not be considered as thereafter waiving such terms, conditions, rights or privileges, and they shall remain in full force and effect.
- 9.9 CONTRACTOR shall at all times during CONTRACTOR's performance of the services retain CONTRACTOR's status as independent contractor. CONTRACTOR's employees shall under no circumstances be considered or held to be employees or agents of OWNER and OWNER shall have no obligation to pay or withhold state or federal taxes or provide workers' compensation or unemployment insurance for or on behalf of them or CONTRACTOR.

*(The remainder of this page is left intentionally blank)*

**Article 10 AFFIRMATIVE ACTION REQUIREMENTS**

- 10.1 Any CONTRACTOR in performing under this contract shall not discriminate against any worker, employee or applicant, or any member of the public, because of race, color, religion, gender, national origin, age or disability nor otherwise commit an unfair employment practice.
- 10.2 The CONTRACTOR will take affirmative action to ensure that applicants are employed, and employees are dealt with during employment without regard to their race, color, religion, gender or national origin, age or disability. Such action shall include but not be limited to the following:
- Employment, promotion, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training; including apprenticeship as well as all labor organizations furnishing skilled, unskilled and union labor, or who may perform any such labor or services in connection with this contract.
- 10.3 This agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36. (Non-Discrimination: The CONTRACTOR shall comply with Executive Order 99-4, which mandates that all persons, regardless of race, color, religion, sex, age, national origin or political affiliation shall have equal access to employment opportunities, and all other applicable state and federal employment laws, rules and regulations, including the Americans with Disabilities Act. The CONTRACTOR shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, age, national origin or political affiliation or disability.)

*(The remainder of this page is left intentionally blank)*

City of Maricopa  
PROJECT NAME: Heritage District Demolition Project

PERFORMANCE BOND

IN WITNESS WHEREOF, OWNER and CONTRACTOR have signed this Agreement in triplicate. One counterpart each has been delivered to OWNER, CONTRACTOR and ENGINEER. All portions of the Contract Documents have been signed, initialed or identified by OWNER and CONTRACTOR or identified by ENGINEER on their behalf.

This Agreement will be effective on \_\_\_\_\_, 20\_\_ (which is the Effective Date of the Agreement).

OWNER: City of Maricopa

CONTRACTOR: Breinholt Contracting Company, Inc.

By: \_\_\_\_\_  
Christian Price, Mayor

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

Attest   
[CORPORATE SEAL]

Approved as to form this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Attest \_\_\_\_\_

By: \_\_\_\_\_  
Denis Fitzgibbons, City Attorney

Address for giving notices

City of Maricopa

39700 W. Civic Center Plaza  
Maricopa, AZ 85138

CONTRACTOR:

Breinholt Contracting Company, Inc.  
1755 W. Commerce Ave.  
Gilbert, AZ. 85233  
License No. 195804, 195805

Agent for service of process: \_\_\_\_\_  
City of Maricopa

\_\_\_\_\_  
Date

(If CONTRACTOR is a corporation, attach evidence of authority to sign.) (If the owner is a Public body, attach evidence of authority to sign and resolution or other documents authorizing execution of the agreement.)