



**NAIPTA**

**(Northern Arizona Intergovernmental Public  
Transportation Authority)**

**3773 N. Kaspar Dr., Flagstaff, AZ 86004**

**(928) 679-8908**

**[www.naipta.az.gov](http://www.naipta.az.gov)**

**Project**

**MASTER CONTRACT**

**CONTRACT NO. \_\_\_\_\_**



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- 2.2.1 Authorization by NAIPTA to perform Services and agreement by Professional to perform specific Services shall be made by separate “Project Task Order,” as set forth in the attached Exhibit A. The terms and conditions set forth herein, and attached hereto, including any and all Exhibits and properly adopted amendments or modifications hereto, are expressly agreed to by Professional and shall be applicable for any and all Services performed by Professional for NAIPTA and shall be incorporated (whether specifically referenced or not) into every Project Task Order, change order, contract or agreement (whether written or oral) entered into between Professional and NAIPTA. This Master Contract does not obligate or require NAIPTA to offer any Project Task Order to Professional, and no contract in relation to any specific Services shall be entered into until a Project Task Order therefore has been fully executed by NAIPTA and Professional.
- 2.2.2 Issuance of Project Task Orders: NAIPTA may, in its sole discretion, issue a Project Task Order in the form attached hereto as Exhibit A, to Professional to perform the Services specified in the Project Task Order. Upon acceptance by the Professional, each Project Task Order, together with this Master Contract, shall constitute the Contract for performance of the Services set forth in the Project Task Order.
- 2.3 Agreement to the terms set forth herein is a material and necessary precondition and inducement to NAIPTA entering into this Master Contract, and each Project Task Order, with Professional.

### **ARTICLE 3 – SERVICES**

- 3.1 Professional shall perform the Services required by, and in accordance with this Master Contract and as outlined in the applicable Project Task Order to the satisfaction of the Project Manager and the General Standard of Care. In addition, Professional shall provide all of the Services as applicable to a specific Project Task Order and appropriate for the Project encompassed by the Project Task Order.
- 3.2 The Professional may engage such subconsultants or professional associates as Professional may deem necessary or desirable for the timely and successful completion of this Contract. However, the use of such subconsultants or professional associates for the performance of any part of the services specified in **Exhibit A** shall be subject to the prior written approval of NAIPTA. Professional will submit a complete list of subconsultants on **Exhibit A** and will update information on the list during the term of the Contract, should the status or identity of said subconsultants change. Employment of such subconsultants or professional associates in order to complete the Services set forth in Exhibit A shall not entitle Professional to additional compensation beyond that set forth in Article 7. The Professional shall be responsible for and shall warrant all Services including work delegated to such subconsultants or professional associates.
- 3.3 **WARRANTIES**
  - 3.3.1 The Professional shall be responsible for and shall and hereby does warrant that all Services provided shall: (i) conducted in accordance with the prevailing standard of care by exercising the skill and ability ordinarily required of engineers performing the same or similar services, under the same or similar circumstances, in the State of Arizona; (ii) be provided by properly trained, qualified, and licensed workers, subconsultants, and/or subvendors; (iii) conform to the requirements of this Contract; and (iv) meet all specifications, requirements and legal regulations, statutes and/or codes that apply thereto, including, without limitation, all federal, state, county, and NAIPTA rules regulations, ordinances and/or codes that may apply.
  - 3.3.2 Immediately upon notice from the Contract Administrator thereof, Professional shall correct or replace as required by the Contract Administrator, at Professional’s expense, all defects, noncompliance, or inadequacies which may be discovered in any of the Services and/or Deliverables provided under this Contract. NAIPTA’s acceptance or approval of the Services shall in no way relieve the Professional of any of Professional’s responsibilities hereunder. Unless a longer period is provided in the Contract Documents, this obligation to correct or replace shall continue for a period of two (2) years after acceptance of the specific Services.
- 3.4 **COORDINATION**

Professional shall be responsible for coordinating the performance of the Services with NAIPTA, the City of Flagstaff and Arizona Department of Transportation (“ADOT”) and the other design professionals and



contractors involved in the Project, as applicable. Professional shall also cooperate with NAIPTA in communicating with, obtaining necessary approvals or permits from, and responding to, any applicable government entity or regulatory agency, including participation in any hearings or meetings.

#### **ARTICLE 4 – DELIVERABLES**

##### **4.1 DELIVERABLES AS PART OF THE SERVICES**

Professional shall provide all of the Deliverables required under the Project Task Order in the time specified, manner, and format required by and to the satisfaction of NAIPTA.

##### **4.2 PROFESSIONAL’S PRE-CONTRACT AND PRE-SERVICE DELIVERABLES**

**4.2.1** Professional shall timely provide the Deliverables in accordance with the Master Contract, unless otherwise provided in a Project Task Order.

**4.2.2** Professional shall also timely provide to NAIPTA all of the Deliverables necessary to fully and timely complete all of the Services under a Project Task Order.

**4.2.3** Additional items, if any, which Professional must deliver to NAIPTA prior to commencing the Services on a Project shall be set forth in the Project Task Order.

#### **ARTICLE 5 – NAIPTA RESPONSIBILITIES**

**5.1** NAIPTA shall arrange, to the extent NAIPTA deems it necessary, for access to and make provisions for the Professional to enter upon public and private property as required for the Professional to perform services hereunder.

**5.2** NAIPTA shall provide information in its position which NAIPTA deems necessary for Profession to perform the Services.

**5.3** Additional services to be provided and responsibilities assumed, by NAIPTA, if any, shall be set forth in the Project Task Order.

**5.4** Additional information to be provided by NAIPTA, if any, shall be set forth in the Project Task Order.

#### **ARTICLE 6 – CONTRACT TIME**

Time is of the essence of this Master Contract and each Task Order. Professional shall complete all Services within the schedule set forth in the Task Order, and Professional shall strictly comply with said schedule and failure to do so shall be a material breach of the Contract.

The first term of this Agreement shall be from the Effective Date thru **XXXX**, unless sooner terminated as provided herein. This Agreement may be renewed in writing, signed by both parties, for up to two (2) additional five (5) year periods upon the same terms and conditions set forth in this Agreement.

#### **ARTICLE 7 – CONTRACT PRICE**

The total amount paid to the Professional under this Master Contract, including reimbursable expenses, shall not exceed \$ . The Contract Price for each Task Order shall be set forth in the Project Work Order.



## **ARTICLE 8 – PAYMENT**

### **8.1 PAYMENT**

In exchange for the Professional's full, timely, and acceptable performance of the Services under in Exhibit A, and subject to all terms of the Master Contract, NAIPTA will pay Professional for the Services in the amounts, on the basis, and in the manner and set forth in Exhibit A.

**8.1.1** NAIPTA shall provide to Professional information regarding requirements for the Project, including relevant budget information, Project schedules, identities of Project participants, and related specifications. Professional shall be entitled to rely on such information furnished by NAIPTA, provided that Professional shall promptly notify NAIPTA, in writing, of any information that Professional believes is missing, unclear or insufficient for the successful completion of the Project and the Services.

**8.1.2** No reimbursable expenses or costs of any kind shall be paid by NAIPTA unless expressly approved by NAIPTA in writing before they are incurred. Any approved reimbursable expenses will be paid at the actual cost without any markup. No costs will be paid except those specifically set forth in the Task Order.

### **8.2 NAIPTA' RIGHT TO WITHHOLD PAYMENT**

If for any reason the Professional fails to fulfill in a timely and proper manner its obligations under this contract, or if the Professional violates any of the covenants, agreements, or stipulations of this Master Contract, NAIPTA may withhold from payment due to the Professional such amounts as are necessary to protect NAIPTA's position for the purpose of set-off until such time as the exact amount of damages due to NAIPTA from the Professional is agreed to by the parties in writing, or is determined by a court of competent jurisdiction.

### **8.3 FINANCIAL RECORD KEEPING AND NAIPTA' AUDIT RIGHT**

Records for all Contracts between NAIPTA and Professional shall, upon reasonable notice, be open to inspection and subject to audit, scanning, and/or reproduction during normal business working hours. Such audits may be performed by any NAIPTA's representative or any outside representative engaged by NAIPTA for the purpose of examining such records. NAIPTA or its designee may conduct such audits or inspections throughout the term of the Contract and for a period of three years after completion of project, or longer if required by law. NAIPTA's representatives may (without limitation) conduct verifications such as counting employees at the Site, witnessing the distribution of payroll, verifying information and amounts through interviews and written confirmations with Professional's employees, field and agency labor, subcontractors, and vendors.

## **ARTICLE 9 – CHANGES TO THE CONTRACT**

**9.1** All changes must be in writing and approved prior to the commencement of such changes.

**9.2** The entire Scope of Services to be performed in accordance with this contract is set forth in Exhibit A. Services which are not included in Exhibit A will be considered Additional Services, only if approved in writing by the Contract Administrator prior to their performance. The Professional shall not perform such Additional Services without prior written authorization in the form of an approved change order or contract amendment from NAIPTA. In the event the Professional performs such claimed Additional Services without prior written authorization from NAIPTA, it shall be conclusively presumed that the claimed Additional Services were included in the Scope of Services and Professional shall not be permitted to request or receive any additional compensation for such claimed Additional Services.

## **ARTICLE 10 – SUSPENSION AND TERMINATION**

**10.1** NAIPTA has the right to terminate this Master Contract for cause or convenience or to terminate any portion of the Services which have not been performed by the Professional.

**10.2** In the event NAIPTA terminates this Master Contract or any part of the Services as herein provided, NAIPTA shall notify the Professional in writing, and immediately upon receipt of such notice, the



Professional shall discontinue all Services, or the specific Services being terminated, as applicable, under this Master Contract.

- 10.3** Upon such termination, the Professional shall immediately deliver to NAIPTA any and all documents or work product generated by the Professional under the Master Contract (collectively, the “Work Product”), together with all unused material supplied by NAIPTA applicable to the Services being terminated. Professional shall be responsible only for such portion of the work as has been completed and accepted by NAIPTA. Use of incomplete data by NAIPTA shall be their sole responsibility.
- 10.4** Upon receipt of notice of termination, Professional shall appraise the Services it has completed but has not yet been paid for and shall submit the Services and appraisal to the Master Contract Administrator for evaluation.
- 10.5** The Professional shall receive as compensation in full for Services performed and approved by the Contract Administrator to the date of such termination, a fee for the percentage of Services actually completed and accepted by NAIPTA. This fee shall be in the amount to be mutually agreed-upon by the Professional and NAIPTA, based upon the Scope of Work set forth in Exhibit A and the payment schedule agreed to in writing by NAIPTA. If mutual agreement between the Parties cannot be reached after reasonable negotiation, the Contact Administrator shall determine the percentage of satisfactory completion of each task set forth in the Scope of Work and the amount of compensation Professional is entitled to for such work, and the Master Contract Administrator’s determination in this regard shall be final. NAIPTA shall make such final payment within 60 days after the latest of: (i) Professional’s completion or delivery to NAIPTA of any portion of the Services not terminated; or (ii) Professional’s delivery to NAIPTA of all Work Product and any unused material supplied by NAIPTA.

**10.6 APPROPRIATION OF FUNDS**

If the term of this Contract or provision of any Services hereunder extends beyond the current fiscal period of NAIPTA and the NAIPTA Board of Directors does not appropriate funds to continue this Contract and pay for charges hereunder, NAIPTA may terminate this Contract at the end of the current fiscal period. NAIPTA agrees, to the extent reasonably practical, to give written notice of such termination pursuant to Article 14 of this Contract at least thirty (30) days prior to the end of the current fiscal period and will pay to the Professional approved charges incurred through the end of such period.

**ARTICLE 11 – INSURANCE**

**11.1 INSURANCE**

Professional shall secure and maintain during the life of this contract, the insurance coverages set forth in Exhibit B.

**11.2 FAILURE TO PROVIDE**

Failure to provide proof of insurance and the required endorsements, in forms acceptable to NAIPTA, will be material breach and grounds for termination of the Contract by NAIPTA for cause.

**ARTICLE 12 – INDEMNIFICATION**

**12.1** To the fullest extent permitted by law, Professional, its successors, assigns, and guarantors, shall indemnify and hold harmless NAIPTA, and its officers and employees, from liabilities, damages, losses and costs, including reasonable attorney fees and court costs, to the extent caused by the negligence, recklessness or intentional wrongful conduct of Professional, Contractor, or other persons employed or used by Professional in the performance of the Contract

**12.2** If court of law determines that this section is void under A.R.S. § 34-226 because a word, words, or phrase in this section makes this section void under A.R.S. § 34-226, then such word, words, or phrase (as applicable) shall be deemed to be stricken to the extent necessary so that this section is not void under A.R.S. § 34-226 and the remaining obligations shall remain in full force and effect; and the language of this section shall be retroactively reformed to the extent reasonably possible in such a manner so that the reformed



language provides essentially the same rights and benefits to the fullest extent permitted by A.R.S. § 34-226(B).

- 12.3 The Professional's obligations under this Article shall survive the expiration or earlier termination of this Contract.
- 12.4 In the event that any action or proceeding shall at any time be brought against any of the Indemnitees by reason of any Claim referred to in this Article, the Professional, at the Professional's sole cost and upon at least 10 day's written notice from NAIPTA, shall defend the same with counsel acceptable to NAIPTA, in NAIPTA's sole discretion.
- 12.5 The insurance provisions set forth in this Contract are separate and independent from the indemnity provisions in this Article and shall not be construed in any way to limit the scope and magnitude of this Indemnification, nor shall this Indemnification be construed in any way to limit the scope, magnitude or applicability of the insurance provisions.

### **ARTICLE 13 – DISPUTE RESOLUTION**

- 13.1 All disputes arising out of or relating to the Contract, the Work or the Project shall be resolved pursuant to the Dispute Resolution process set forth in Exhibit C.
- 13.2 All of the time limits set forth in Exhibit C shall be strictly enforced and failure to comply will constitute a waiver on the part of this Contractor of the process set forth under Exhibit C, unless NAIPTA agrees in writing to allow the process to proceed as set forth below.
- 13.3 Failure by Contractor to strictly comply with the time limits set forth in Exhibit C shall start accrual of the claim for purposes of all applicable Arizona statutes, statutes of limitations and notice of claim statutes, including without limitation A.R.S. §§ 12-821 and 12-821.01.

### **ARTICLE 14 – MISCELLANEOUS PROVISIONS**

- 14.1 **INCORPORATION OF RECITALS AND EXHIBITS.** The Recitals, Exhibits and Appendices attached hereto are acknowledged by the Parties to be substantially true and correct, and hereby incorporated as agreements of the Parties.
- 14.2 **ATTORNEYS' FEES.** In the event either Party brings any action for any relief, declaratory or otherwise, arising out of this Contract, or an account of any breach or default hereof, the prevailing Party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses (including expert witness fees), determined by the arbitrator or court sitting without a jury, which fees shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.
- 14.3 **ENTIRE AGREEMENT.** This Contract constitutes the entire understanding of the Parties and supersedes all previous representations, written or oral, with respect to the services specified herein.
- 14.4 **GOVERNING LAW.** This Contract shall be governed by and construed in accordance with the substantive laws of the State of Arizona, without reference to conflict of laws and principles. Exclusive jurisdiction and venue for any action brought to enforce or construe any provision of this Contract shall be proper in the Superior Court of Coconino County, Arizona and both Parties consent to the sole jurisdiction of, and venue in, such court for such purposes.
- 14.5 **INDEPENDENT CONTRACTOR.** The services Professional provides under the terms of this Contract to NAIPTA are that of an Independent Contractor, not an employee, or agent of NAIPTA. As an independent contractor, Professional shall: (a) have discretion in deciding upon the method of performing the services provided; (b) not be entitled to worker's compensation benefits from NAIPTA; (c) not be entitled to any NAIPTA sponsored benefit plan; (d) shall select the hours of his/her work; (e) shall provide his/her own



equipment and tools; and (f) to the extent required by law, be responsible for obtaining and remaining licensed to provide the Services.

- 14.6 TAXES.** Professional shall be solely responsible for any and all tax obligations which may result out of the Professional's performance of this contract. NAIPTA shall have no obligation to pay any amount for taxes, of any type, incurred by the Professional. NAIPTA will report the value paid for these Services each year to the Internal Revenue Service (I.R.S.) using Form 1099. NAIPTA shall not withhold income tax as a deduction from contractual payments. Professional acknowledges that Professional may be subject to I.R.S. provisions for payment of estimated income tax. Professional is responsible for consulting the local I.R.S. office for current information on estimated tax requirements.
- 14.7 AMENDMENTS.** Any amendment, modification or variation from the terms of this Contract shall be in writing and signed by all Parties hereto.
- 14.8 COMPLIANCE WITH LAW.** The Professional specifically agrees and hereby warrants to NAIPTA that in the performance of the Services, Professional and anyone acting on Professional's behalf, including but not limited to Professional's subconsultants, will comply with all state, federal and local statutes, ordinances and regulations, and will obtain all permits and licenses applicable for performance under this Contract.
- 14.9 SEVERABILITY.** In the event that any provision of this Contract shall be held to be invalid and/or unenforceable, the remaining provisions shall be valid and binding upon the Parties.
- 14.10 WAIVER.** None of the provisions of this Contract shall be deemed to have been waived by any act or knowledge of any Party or its agent or employees, but only by a specific written waiver signed by an authorized officer of such Party and delivered to the other Party. One or more waivers by either Party of any provisions, terms, conditions, or covenants of this Contract, or any breach thereof, shall not be construed as a waiver of a subsequent breach by the other Party.
- 14.11 COUNTERPARTS.** This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, binding on all of the Parties. The Parties agree that this Contract may be transmitted between them via facsimile. The Parties intend that the faxed signatures constitute original signatures and that a faxed contract containing the signatures (original or faxed) of all the Parties is binding upon the Parties.
- 14.12 COMPLIANCE WITH IMMIGRATION LAWS AND REGULATIONS.** Pursuant to the provisions of A.R.S. §41-4401, the Professional warrants to NAIPTA that the Professional and all its subconsultants are in compliance with all Federal Immigration laws and regulations that relate to their employees and with the E-Verify Program under A.R.S. §23-214(A). Professional acknowledges that a breach of this warranty by the Professional or any of its subconsultants is a material breach of this Contract subject to penalties up to and including termination of this Contract or any subcontract. NAIPTA retains the legal right to inspect the papers of any employee of the Professional or any subconsultant who works on this Contract to ensure compliance with this warranty.
- 14.13** NAIPTA may conduct random verification of the employment records of the Professional and any of its subconsultants to ensure compliance with this warranty.
- 14.14** NAIPTA will not consider the Professional or any of its subconsultants in material breach of the foregoing warranty if Professional and its subconsultants establish that they have complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and Nationality Act and the e-verify requirements prescribed by A.R.S. § 23-214(A).
- 14.15** The provisions of this Article must be included in any contract the Professional enters into with any and all of its subconsultants who provide services under this Contract or any subcontract. As used in this Section "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.



- 14.16** ISRAEL BOYCOTT PROVISION. Professional certifies to NAIPTA that it is not currently engaged in and agrees for the duration of the contract not to engage in a boycott of Israel as defined in A.R.S. § 35-393.
- 14.17** CANCELLATION FOR CONFLICT OF INTEREST. Pursuant to the provisions of A.R.S. § 38-511, NAIPTA may cancel any contract or agreement, without penalty or obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of NAIPTA is, at any time while the Contract or any extension thereof is in effect, an employee of any other party to the contract in any capacity or a Professional to any other party to the contract with respect to the subject matter of the contract.
- 14.18** LICENSES. Professional shall maintain in current status all Federal, State, and Local licenses and permits required for the operation of the business conducted by Professional and the Services.
- 14.19** PERMITS AND RESPONSIBILITIES. Professional shall, without additional expense to NAIPTA, be responsible for obtaining any necessary licenses and permits and for complying with any applicable Federal, State and Municipal Laws, codes and regulations in connection with the execution of the work.
- 14.20** LIENS. Professional shall cause all materials, service or construction provided or performed under the resultant contract to be free of all liens, and if NAIPTA requests, Professional shall deliver appropriate written releases, in statutory form of all liens to NAIPTA.
- 14.21** PATENTS AND COPYRIGHTS. All services, information, computer program elements, reports and other deliverables, which may be patented or copyrighted and created under this contract are the property of NAIPTA and shall not be used or released by Professional or any other person except with the prior written permission of NAIPTA.
- 14.22** WORKPLACE COMPLIANCE. The Professional understands and acknowledges the applicability to it of the American with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989.
- 14.23** THIRD PARTIES. The Services to be performed by the Professional are intended solely for the benefit of NAIPTA. No person or entity not a signatory to this Contract shall be entitled to rely on the Professional's performance of its services hereunder, and no right to assert a claim against the Professional by assignment of indemnity rights or otherwise shall accrue to a third party as a result of this Contract or the performance of the Professional's services hereunder.
- 14.24** PRIORITY OF DOCUMENTS. In the event of a conflict between the terms of this Contract and the terms of any other document related to the Services, including but not limited to Scope of Services, the terms of this Contract shall prevail. In the event of a conflict between the terms of any bid document (RFP, RFQ, IFB) and the terms of a response, the terms of the bid document will control. Agreement to the terms set forth herein is a material and necessary precondition and inducement to NAIPTA for entering into the Contract with Professional.
- 14.25** The Professional shall reveal fully and in writing any financial or compensatory agreements which the Professional has with any prospective contractor prior to NAIPTA's publication of requests for proposals or comparable documents.
- 14.26** The Professional hereby warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Professional, to solicit or secure this contract, and that the Professional has not paid or agreed to pay any person, company, corporation, individual or firm other than a bona fide employee working solely for the Professional any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the award or making of this contract.
- 14.27** The Professional shall comply with Executive Order No. 11246 entitled "Equal Opportunity Employment" as amended by Executive Order no. 11375, and supplemented Department of Labor Regulations 41 CFR, Part 16.



**14.28** ASSIGNMENT. This Contract may not be assigned in whole or in part without prior written consent of NAIPTA, and any such attempted assignment shall be null and void and a material breach of this Contract, and shall transfer no rights to the purported assignee.

**14.29** COMMUNICATIONS. All communications concerning the performance of the Services or the Project shall be provided to the designated Project Manager and Professional's Representative set forth in Article 1 of the Contract. NAIPTA may change the designated Project Manager and may change Professional's Representative, by written notice to the other party. Communications may be exchanged by e-mail upon the written agreement of the Parties, but e-mail communications are not binding upon NAIPTA and cannot change the terms of the Contract or the scope of work, or effectuate any change that requires a written change order. The use of e-mails is for information only, and e-mails will have no legal or binding effect. Unless otherwise provided herein, formal demands and or notices under the Contract shall be in writing and shall be deemed to have been duly given and received either (a) on the date of service if personally served on the party to whom notice is to be given, or (b) on the third day after the date of the postmark of deposit by first class United States mail, registered or certified, postage prepaid and properly addressed as follows:

To NAIPTA:	Project Manager
To Contractor:	Professional's Representative for the Contract

**[SIGNATURES ON FOLLOWING PAGE]**



IN WITNESS WHEREOF, the parties hereto have executed this Master Contract through their duly authorized representatives, whose signatures bind their respective entities as of the effective date.

**“NAIPTA”**

**NORTHERN ARIZONA INTERGOVERNMENTAL  
PUBLIC TRANSPORTATION AUTHORITY, A  
POLITICAL SUBDIVISION OF THE STATE OF  
ARIZONA**

Signature \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

**ATTEST:**

Signature \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

**APPROVED AS TO FORM:**

\_\_\_\_\_  
DICKINSON WRIGHT, PLLC  
NAIPTA Attorneys

**“PROFESSIONAL”  
[COMPANY NAME]**

Signature \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_





as approved by NAIPTA, to be paid subject to the following limitations:

**a. Documentation of Monthly Progress**

- i. Prior to approval of the preliminary documentation (or \_\_\_% of plans), the billed amount shall not exceed \_\_\_% of the total Contract Amount.
- ii. Prior to approval of the final documentation (or \_\_\_% of plans) deliverable, the billed amount shall not exceed \_\_\_% of the total Contract Amount.
- iii. If the Services include the preparation of studies, design concepts, or other investigations, progress payments shall not exceed \_\_\_% of the total Contract Amount prior to submittal of the final report deliverables.

**b. Reimbursable Costs:** (Reimbursable costs are at state per diem rates for all travel, lodging, and incidentals.)

- i. The Project Task Order Reimbursable Cost is in the amount of \$ \_\_\_\_\_ to be paid based upon monthly progress reports and detailed invoices submitted by \_\_\_\_\_ in such form as approved by NAIPTA

**c. Other:**

- i. Sub-Contractor Mark Up will be paid in the following manner: \_\_\_\_\_.
- ii. Unique Insurance and/or Bond Requirements: \_\_\_\_\_.
- iii. Unique Compliance with Government Provisions: \_\_\_\_\_.

**SCOPE OF SERVICES, DELIVERABLES, AND PROJECT SCHEDULE/DURATION:** Attachment 1.

**UNIQUE INSURANCE AND/OR BOND REQUIREMENTS (IF ANY)** (Article 11): Attachment 2.

**PROJECT SPECIFIC CONDITIONS (IF ANY):** Attachment 3.

IN WITNESS, WHEREOF, the parties hereto have executed this Task Order through their duly authorized representatives and bind their respective entities as of the effective date.

**“NAIPTA”**

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Title \_\_\_\_\_

**ATTEST:**

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Title \_\_\_\_\_

**“PROFESSIONAL”**

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Title \_\_\_\_\_

**ATTEST:**

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Title \_\_\_\_\_



**PROJECT TASK ORDER # \_\_\_\_\_**

**ATTACHMENT 1 – SCOPE OF WORK AND PROJECT SCHEDULE**

*(To be completed by NAIPTA)*

**PROJECT DESCRIPTION:**

*(To be completed by NAIPTA:)*

**PROJECT SCHEDULE:**

*(To be completed by NAIPTA:)*

**PROJECT DELIVERABLES:**

*(To be completed by NAIPTA:)*



PROJECT TASK ORDER # \_\_\_\_\_

**ATTACHMENT 2 - UNIQUE INSURANCE REQUIREMENTS (IF ANY)**

**NOTE: Professional's Insurance coverage to be reviewed and approved by Contract Services Specialist PRIOR TO CONTRACT EXECUTION.**

*{Provide any additional insurance requirements beyond the Standard Insurance Requirements, and/or bond requirements for the Project beyond the original contract scope to confirm adequate insurance and bond coverages for this Project}*



**PROJECT TASK ORDER # \_\_\_\_\_**

**ATTACHMENT 3 - PROJECT SPECIFIC CONDITIONS (IF ANY)**

*{To be completed by NAIPTA}*

*{List Unique Issues with Specific Government Provisions beyond the Master Contract, if any:}*



**EXHIBIT B TO MASTER CONTRACT – MINIMUM INSURANCE REQUIREMENTS**

**NOTE: Professional’s Insurance coverage to be reviewed and approved by Contract Services Specialist PRIOR TO CONTRACT EXECUTION.**

INSURANCE REQUIREMENTS

A. Contractor shall obtain and submit to NAIPTA before any Services are performed, certificates from the Contractor's insurance carriers indicating the presence of coverages and limits of liability as set forth in the Contract Documents, but in no event shall the coverages and limits be less than those specified as follows:

1. Workers’ Compensation:

Coverage A. Statutory Benefits.

Coverage B. Employer’s Liability.

Bodily Injury by accident	\$1,000,000 each accident
Bodily Injury by disease	\$1,000,000 policy limit
Bodily Injury by disease	\$1,000,000 each employee

Coverage must include a Waiver of Subrogation endorsement.

Where applicable, U.S. Longshore and Harbor Workers Compensation Act Endorsement shall be attached to the policy.

2. Commercial Auto Coverage:

Auto Liability limits of \$1,000,000 each accident, combined Bodily Injury and Property Damage Liability insurance. Certificate to reflect coverage for “Any Auto” or “All Owned, Scheduled, Hired and Non-Owned”.

If the Contract Documents require Contractor to remove and haul hazardous waste from the Project site, or if the Project involves such similar environmental exposure, pollution liability coverage equivalent to that provided under the ISO Pollution Liability-Broadened Coverage for Covered Autos Endorsement shall be provided, and the Motor Carrier Act Endorsement (MCS 90) shall be attached.

3. Commercial General Liability:

Each Occurrence Limit	\$1,000,000
Personal Injury/Advertising Injury Limit	\$1,000,000
Products/Completed Operations Aggregate Limit	\$1,000,000
General Aggregate Limit (other than Products/Completed Operations)	\$2,000,000

Coverage must include a Waiver of Subrogation endorsement.

Both policy forms must include:

- i. Blanket contractual coverage for the indemnity/hold harmless agreements assumed in this Subcontract and in the Prime Contract. Any Employee Exclusion will be deleted.
- ii. Broad Form Property Damage coverage, including completed operations or its equivalent.
- iii. Coverage must be on an “Occurrence” form. “Claims Made” and “Modified Occurrence” forms are not acceptable.

4. Excess Liability:



Umbrella Liability to extend the above liability coverages and limits to reach a total combined limit of:

Each Occurrence	\$5,000,000
Aggregate	\$5,000,000

5. Pollution Legal Liability

Per Claim/Aggregate	\$1,000,000
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(Applicable as to any pollutants or hazardous waste exposures as part of Work)

Contractor shall maintain insurance covering losses caused by pollution conditions (including mold) that arise from the Work.

6. Other Requirements

- i. All policies must contain an endorsement affording an unqualified thirty (30) days notice of cancellation to the additional insured(s) in the event of cancellation, non-renewal or material reduction in coverage.
- ii. All policies must be written by insurance companies whose rating, in the most recent Best's Rating Guide, is not less than A- VII. All coverage forms must be acceptable to NAIPTA.
- iii. Certificates of Insurance with the required endorsements evidencing the required coverages must be delivered to NAIPTA prior to commencement of any Work. Failure of NAIPTA to demand such certificate or other evidence of full compliance with these insurance requirements or failure of NAIPTA to identify a deficiency from evidence that is provided shall not be construed as a waiver of Contractor's obligation to maintain such insurance. NAIPTA shall have the right, but not the obligation, to prohibit Contractor or any of its subcontractors from entering the Project site until such certificates or other evidence that insurance has been placed in complete compliance with these requirements is received and approved by NAIPTA.
- iv. Contractor shall be responsible to satisfy any deductible or self-insured retention with respect to any of the coverages required by the Contract Documents.
- v. NAIPTA reserves the right, in its sole discretion, to require higher limits of liability coverage at NAIPTA's expense if, in NAIPTA's opinion, operations by or on behalf of Contractor create higher than normal hazards and, to require Contractor to include additional parties in interest to be Additional Insureds.

B. Any additional provisions specific to the Project are attached. In the event of any conflict between the attached terms and the terms of this Exhibit, the Contractor shall comply with the more stringent provisions.



## EXHIBIT C – MASTER CONTRACT

### **DISPUTE RESOLUTION**

#### **1. INFORMAL DISPUTE RESOLUTION**

The parties to the Contract agree that time is of the essence in relation to performance of the Contract and completion of the Project, therefore any and all disputes in relation to the Contract will initially be referred to the Project Manager, the Professional Representative and/or the Professional Representative as applicable to the dispute, for immediate resolution, and in no event more than five (5) days after the dispute arises. If, after good faith efforts to reach a resolution, none is reached, any party to the dispute may submit the dispute to the Dispute Resolution Representative (DRR) process set forth below, which is intended to be an expedited process.

#### **2. DISPUTE RESOLUTION REPRESENTATIVE (DRR) PROCESS**

**2.1** The Parties under the Contract agree that all claims and disputes in relation to the Project which are not resolved in the ordinary course of the Project (Claim or Claims) shall, as a prerequisite to any mediation, or litigation of the Claim, first be submitted for resolution between the designated Dispute Resolution Representatives of the Parties as set forth herein (the DRR Process).

**2.2** The DRR Process shall be initiated through service of a DRR Notice as set forth below:

**2.2.1** For claims by the Professional or the Professional, the DRR Process shall be initiated by the party asserting the claim serving written notice on NAIPTA setting forth in detail: (i) the basis for the claim; (ii) the effect of the Claim upon the construction of, and/or Project Schedule for, the Project; (iii) the specific relief requested, the amount thereof, and how such was calculated; (iv) the parties involved in the Claim, and how they are involved; (v) the specific contract provisions in the Contract Documents (including, if applicable, drawings and specifications) which apply; and (vi) efforts made to date to resolve the Claim.

**2.2.2** For claims by NAIPTA, the DRR process will be initiated by NAIPTA providing written notice to the other parties of the basis and amount of its claim, the parties involved in the Claim, and how they are involved, the provisions in the Contract Documents that apply, and the relief requested.

**2.2.3** The DRR Notice shall be hand-delivered and e-mailed to the other parties' designated Dispute Resolution Representatives.

**2.3** The other parties shall respond in writing to the DRR Notice (DRR Response) within ten (10) calendar days of receipt of the DRR Notice, setting forth those items set forth in the DRR Notice that they agree with, dispute, and/or have questions concerning. The DRR Response shall be hand-delivered and e-mailed to the other parties' Dispute Resolution Representatives.

**2.4** The designated Dispute Resolution Representatives for the Parties to the claim shall then meet as soon as possible and in any event within twenty (20) calendar days of submission of the DRR Notice (regardless of whether a DRR Response has been submitted by all parties involved in the dispute), at a mutually agreed upon time and place, to attempt to resolve the Claim based upon the DRR Notice and DRR Response.

**2.5** At any time after the first meeting required above, either party may terminate the DRR Process by written notice to the other party.

**2.6** The parties may agree, in writing, to extend or modify the time limits or other provisions of the DRR process in relation to a specific pending Claim.



- 2.7 Unless otherwise designated in a written notice to the other parties, the Project Manager and the representatives of the Professional and of the Professional shall act as the parties' designated Dispute Resolution Representatives.
- 2.8 If a resolution of the Claim is reached, that resolution shall be set forth in writing and shall be signed by the Parties' designated Dispute Resolution Representative. If the resolution involves a change in any Contract Documents, the Contract Price, the Project Schedule, or any other change requiring a written Change Order or Amendment, the parties shall execute an appropriate written Change Order or Amendment pursuant to the terms of the Contract Documents.

### **3. MEDIATION**

- 3.1 Unless extended by written agreement of the parties involved in the dispute, any Claim not resolved through the DRR process set forth above within five (5) calendar days after the meeting required under B (4) above, or after the DRR is terminated pursuant to § 2.5 above, whichever is earlier, shall be submitted to mediation as a condition precedent to litigation by either party.
- 3.2 The mediation shall be commenced by written demand upon the other party for mediation. If the parties cannot agree upon a mediator within ten (10) calendar days of the written demand, either party may make a request to the Civil Presiding Judge of the Coconino County Superior Court to appoint a mediator. The mediation shall occur within forth (40) calendar days of the written demand for mediation, unless the parties agree, in writing, to a longer period of time.
- 3.3 The qualifications for the mediator shall be that they be: (a) an experienced mediator, arbitrator or litigator of construction disputes; and (b) having engaged a significant portion of their time involving and/or resolving construction disputes for at least the past five (5) years.
- 3.4 Each party shall provide to the other party and the mediator all of the information and documentation required under 2.1 and 2.2 above, together with any additional information and documentation which the party believes relevant. In addition, the parties shall exchange, and provide to the mediator such additional memoranda, information and/or documentation, as the mediator may request, and in the form and at such times, as the mediator may direct.
- 3.5 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in Phoenix, Arizona, unless another location is mutually agreed upon. Agreements reached in mediation shall be specifically enforceable in any court having jurisdiction thereof.

### **4. ARBITRATION**

- 4.1 If the mediation is unsuccessful, within ten (10) days of the unsuccessful mediation, by written notice of arbitration the parties shall submit the dispute and/or claim to be resolved through binding arbitration conducted according to the then current Construction Industry Arbitration Rules of the AAA, but not administrated or conducted by the AAA, which arbitration shall be held in Coconino County, Arizona, utilizing a single arbitrator selected by the parties, unless the parties agree, in writing, to an alternative arbitration procedure.
- 4.2 If: (a) the parties cannot agree on a single arbitrator within two (2) weeks of the demand for arbitration; or (b) the parties at any time prior to the arbitrator being appointed and the arbitrator has accepted the appointment, cannot agree upon any significant aspect of the arbitration, not already addressed herein, either party may submit the Claim directly to the AAA to select the Arbitrator, and thereafter the arbitration shall be administered by the AAA.
- 4.3 The arbitrator shall be an attorney with at least fifteen (15) years of experience in construction related practice, and whose practice, for at least the last five (5) years, consists of at least 50% construction law.



- 4.4 At the request of either party, the arbitration may include as parties, through joinder, consolidation or otherwise, additional persons or entities involved in the Project, involving claims and/or disputes with common issues and/or facts. The arbitrator shall promptly rule upon any request for joinder or consolidation.
- 4.5 In relation to claims in which the amount in controversy is less than \$250,000, no discovery other than exchange of documents, designation of witnesses and detailed disclosure of claims and defenses (including specifically a detailed basis for calculating all claims), and no more than 3 depositions and 1 expert per side, shall be allowed, subject to disclosure of such other information as approved by the arbitrator. Otherwise, discovery shall be allowed and/or limited as decided by the arbitrator.
- 4.6 The prevailing party in any arbitration or court proceeding under this Agreement shall be entitled to an award of its attorneys' fees, costs, and expenses (including expert witness fees) incurred.
- 4.7 A demand for arbitration shall be made within the time limits specified in the Contract Documents as applicable, and in other cases within a reasonable time after the Claim has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such Claim would be barred by the applicable statute of limitations.
- 4.8 The Parties agree to participate as a party, by joinder and/or consolidation, in any arbitration, litigation, or other dispute resolution involving as an issue, claim, or defense, any action, inaction, or service provided under this Contract or in relation to the Project or the Work, or any defect or deficiency in the Work.
- 4.9 The party filing a notice of demand for arbitration, or a counterclaim, must assert in the demand or counterclaim all Claims then known to that party on which arbitration is permitted to be demanded.
- 4.10 Any award by the arbitrator shall not include any consequential or punitive damages.
- 4.11 The award entered by the arbitrator shall be a reasoned award.
- 4.12 The award entered by the arbitrator shall be final and judgment may be entered thereon in the Arizona Superior Court.

**5. CONTINUATION OF WORK DURING DISPUTE RESOLUTION**

Professional agrees that during any dispute between the parties, Professional will continue to perform its obligations under the Contract until such dispute is resolved.

**6. RIGHT TO FILE SUIT FOR INJUNCTIVE RELIEF**

Notwithstanding any other provision in the Contract, NAIPTA has the right to immediately file in court and pursue an action for a temporary restraining order and/or injunctive relief against Professional if NAIPTA determines that such action is necessary to protect its interests under the Contract, to obtain specific performance of any provision of the Contract, to advance the completion of the Project, or to protect health, welfare and/or safety, including without limitation, an action of an order directing Professional to continue or return to construction the Work under the Contract.