

ORDINANCE NO. 11-03

AN ORDINANCE ACCEPTING A PROPOSAL FOR INSTALLING WATER MAIN FOR PHASE 3 OF THE TRANSMISSION MAIN PROJECT

WHEREAS, the Village obtained proposals for installation of eighteen inch water main for what is referred to as Phase 3 in the Water Main Transmission project to install water main from the Water Plant to New Berlin. Phase 3 begins near Ball Elementary on New City Road and extends east to Cardinal Road; and

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF CHATHAM, ILLINOIS, AS FOLLOWS:

SECTION 1: That the bid from Petersburg Plumbing for an estimated cost not to exceed \$280,000, billed at an hourly cost for labor and material per Exhibit A attached hereto is hereby approved.

SECTION 2: The Village Manager is hereby directed to complete the necessary documents at the appropriate timing.

SECTION 3: This Ordinance is effective upon its passage and approval.

*Thomas S. Gray*  
Thomas S. Gray, President  
Village of Chatham

ATTEST:

*Pat Schad*  
Pat Schad, Village Clerk

AYES: 5 HERRMAN BOYLE  
5 REYNOLDS KAUBACH

NAYS: \_\_\_\_\_

ABSENT: 1 SCHATTEDMAN

PASSED: 2-8-11

APPROVED: 2-8-11

**SUBCONTRACT AGREEMENT**  
**(Village of Chatham as Lead Agency)**

**DEFINITIONS:**

**GENERAL CONTRACTOR:**

**Village of Chatham**  
**116 East Mulberry**  
**Chatham, IL 62629**

**SUBCONTRACTOR:**

**Petersburg Plumbing**  
**P.O. Box 440**  
**117 North Seventh Street**  
**Petersburg, Illinois 62675**

**OWNER:**

**South Sangamon Water Commission**  
**P.O. Box 83**  
**New Berlin, Illinois 62670**

**LEAD AGENCY:**

**Village of Chatham**  
**116 E. Mulberry**  
**Chatham, Il. 62629**

**PROJECT:**

**Water Transmission Main Contract D**  
**Phase 3, Install Mains**

**SUBCONTRACT SUM:**

**\$Estimated To Be \$295,000.00**  
**Bill per Hour for Labor and Equipment**

**AGREEMENT:**

This AGREEMENT is by and between the General Contractor and the Subcontractor and is dated effective the 8th day of February, 2011.

**1. Scope of work:** The Subcontractor agrees to furnish all equipment and labor (materials furnished by Village) in order to perform the work/services described in the Proposal as shown in Exhibit A, the Scope of Work attached hereto as Exhibit B, for the Subcontract Sum, based on Hourly Rates as shown on Exhibit C.

**2. Changes in the work:** No deviations from the specified scope of work will be permitted and/or paid for unless a written change order has been executed. The Subcontractor will promptly notify the Contractor of any required revisions to the scope of work.

**3. Subcontract documents:** The subcontract documents consists of the prime contract, subcontract agreement, plans/drawings, specifications, and addenda issued prior to and after the execution of this agreement. The governing plans/drawings and specifications are as follows.

Water Transmission Main Contract D, Phases 3,  
Designed by Greene and Bradford, November 2009

**4. Project start and completion:** The Subcontractor shall start the work within 5 days of notification from the Contractor or as soon as their respective scope of work is ready for performance. Time is of the essence. The Subcontractor agrees to commence work as outlined above and work diligently to complete the scope of work in conjunction with the project schedule (if applicable). If the Subcontractor fails, persistently, or neglects to fulfill the scope of work in accordance with the subcontract agreement and fails to respond within 3 days of written notice to commence, continue and/or correct the work, the Contractor may terminate this agreement and complete the Subcontractor's work by whatever means deemed necessary by the Contractor. If the expense to complete the unfinished scope of work exceeds the unpaid balance, the Subcontractor agrees to pay the difference. Liquidated damages in the amount of \$ 0 per day shall be incurred for each day that the contract completion date is exceeded. The work shall be substantially completed on or before July 1, 2011. Any and all time extensions required by the Subcontractor for material delays, adverse weather delays, etc. must be presented in writing to the contractor.

**5. Clean up:** The Subcontractor shall keep the premises clean of all debris on a daily basis. If the Subcontractor fails to perform adequate daily clean up and does not respond to the Contractor's request for service, and the Contractor has to perform clean up or incurs additional costs to provide clean up, the Subcontractor shall pay for the incurred cost.

**6. Safety:** The Subcontractor shall take all reasonable safety precautions necessary to perform the work. The Subcontractor shall comply to all safety regulations required by law, ordinances, regulations, rules as required to perform the work in accordance with the contract.

**7. Assignment:** The subcontract may not assign any portion of this subcontract agreement without the written consent of the contractor.

**8. Taxes:** The Subcontractor agrees to pay all federal, state, and/or local taxes, which are or may be assessed to the labor, which the Subcontractor provides under this agreement.

**9. Insurance Requirements:** The Subcontractor shall purchase and maintain insurance of the following types of coverage and limits of liability.

- 1) Commercial General Liability (CGL) with limits of Insurance not less than \$1,000,000 each occurrence, \$1,000,000 Personal Injury and Advertising Injury, \$2,000,000 Products/Completed and \$2,000,000 Annual General Aggregate.
  - A) If the CGL coverage contains a General Aggregate Limit, such General Aggregate shall separately to each project.
  - B) CGL coverage shall be written on ISO occurrence form CG 0001 10 01 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, on-going operations, independent contractors, products completed operations, and personal and advertising injury.
  - C) Owner and Lead Agency shall be included as insured on the CGL, using additional Insured Endorsement on ISO form CG 20 10 11 85 (or an endorsement providing equivalent coverage) or on the combination of ISO forms CG2010 10 01 and CG 2037 10 01 (or substitute forms providing equivalent coverage) to the additional insured. This insurance for the additional insured shall be as broad as the coverage provided for the named insured subcontractor. It shall apply as Primary Insurance before any other insurance or self-insurance, including any deductible, maintained by, or provided to, the additional insured.
  - D) Subcontractor shall maintain CGL coverage for itself and all additional insured's for the duration of the project and maintain Completed Operations coverage for itself and each additional insured for at least 3 years after completion of the work.
  - E) Subcontractor shall provide a Certificate of Insurance that provides for the needed coverages as well as at least 30 days' prior written notice of cancellation and termination of the subcontractor's policy.
- 2) Automobile Liability
  - A) Business Auto Liability with limits of at least \$1,000,000 each accident.
  - B) Business Auto coverage must include a liability arising out of all owned, leased, hired and non-owned automobiles.
- 3) Commercial Umbrella
  - A) Umbrella limits must be at least \$5,000,000
  - B) Umbrella coverage must include as insureds all entities that are additional insureds on the CGL.
- 4) Workman's Compensation and Employers Liability
  - A) Employers Liability Insurance limits of at least \$1,000,000 each accident for bodily injury by accident and \$1,000,000 each employee for injury by disease.
  - B) Where applicable, U.S. Longshore and Harborworkers Compensation Act Endorsement shall be attached to the policy.
  - C) Where applicable, the Maritime Coverage Endorsement shall be attached to the policy.

Waiver of Subrogation: Subcontractor waives all rights against Owner, Lead Agency, General Contractor, the Engineer, Architect and their agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by commercial general liability, commercial umbrella liability, business auto liability, or worker's compensation and employer's liability insurance maintained per requirements stated above. Attached to each certificate of

insurance shall be a copy of the Additional Insured Endorsement that is part of the Subcontractor's Commercial General Liability Policy.

The Subcontractor's insurer/insurers shall maintain a rating of A minus or better as set by AM Best and Company.

**10. Progress payments:** The Contractor shall make progress payments on account of the Subcontract Sum based upon the applications for payment and accompanying lien waivers submitted by the Subcontractor for work in place at the time of the application. Said payment shall hold retainage in the amount of ( 0 %) of work completed. All retainage shall be held until final payment. Provided that the application is submitted prior to the 1st Tuesday of the month, payment shall be by the end of the month.

**11. Final payment:** Final payment shall be made to the Subcontractor when the Subcontractor's work is fully performed in accordance with the terms of the subcontract agreement and the Owner has accepted the work. All close out documents, including but not limited to as-built drawings, Partial and Final lien waivers, maintenance instructions, operation manuals must be received prior to final payment.

**12. Prevailing Wage/Responsible Bidder Policy:** Subcontractor shall comply with the Illinois Prevailing Wage Law and has received a copy of Owner's current Prevailing Wage Ordinance. New Prevailing Wage Ordinances are adopted by Owner annually, in the month of June. Subcontractor is also aware of the requirements of Owner's Responsible Bidder Policy and has not been the recipient of any adverse citations, complaints, etc., as set forth in Section 1 of that Policy.

**13. Liability and indemnification:** The Subcontractor shall indemnify and hold harmless General Contractor, Owner and Lead Agency, their officers, agents, employees, and indemnities from and against all claims, notices, orders, losses, suits, damages legal and otherwise, and liabilities incurred by or asserted against General Contractor, Owner and Lead Agency which in any way arise out of or related to defective subcontract work, subcontract work that does not adhere to the Subcontract agreement, any inaccuracy or violation of any certification provided by the subcontractor, the Subcontractor's failure to comply with the Subcontract agreement, any death, personal injury, damage or loss to property wholly or in part by any act or omission of the Subcontractor, its agents, employees, or subcontractors arising out of or related to the Subcontract work. The Subcontractor shall reimburse General Contractor; Owner and Lead Agency for all expenses reasonably incurred in connection with investigating or defending any claim, notice, order, suite, loss, damage, liability or resulting action.


**14. Termination and default:** This subcontract may be terminated by General Contractor in whole or in part whenever the Subcontractor defaults in its performance of the Subcontract, whether materially or otherwise, and fails to correct such default within 5 days of written notice from the Contractor. Any termination shall be effective by delivering the written notice via fax, mail, or hand. If as a result of default by the Subcontractor, General Contractor shall incur damages or becomes obligated to pay damages to the Owner, the Subcontractor agrees to pay General Contractor as damages and not as penalty, any incurred costs.


15. This Agreement shall be governed by Illinois law. This is the entire contract between the parties, and all prior statements and representations are hereby expressly disclaimed. In the event of conflict between this Agreement and anything contained in Exhibit A hereto, this Agreement shall prevail.

This agreement entered into as of the date first listed above.

Village of Chatham  
Name of General Contractor

Petersburg Plumbing & Heating Company  
Name of Subcontractor

By:   
Signature

By:   
Signature

Del McCard, Manager  
Print name/Title

Brian Vaut / Project Manager  
Print name/Title

# Exhibit A



Submitted to: Village of Chatham - Ph. 3	Phone:	Date: 01/31/2011
	Job Name: Phase 3 18" watermain	
	Job Location: New City Road/Cardinal Road	
<b>Budget</b>		
<p>The following price is an estimate only for Phase 3 of the Chatham Water System. Prices are for Labor and Equipment only. Chatham to provide all Material. The following is a Budget only, Price could be less or more then budget.</p>		
\$280,000.00 (Watermain/fittings/hydrants/vaults-air releases)		
\$15,000.00 (Testing/flushing)		
<p><b>We Propose</b> hereby to furnish material and labor - complete in accordance with the above, for the sum of:</p>		dollars (\$ See Above )

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any changes from the above proposal involving extra costs, will be executed only upon writtin orders and will become an extra charge over and above the proposal. Owner to carry fire, tornado and necessary insurance. Our workers are fully covered by workmen's Compensation Insurance.

Authorized   
 Signature  
 Brian Vogt

This proposal may be withdrawn by PPI if not accepted within \_\_\_\_\_

Acceptance of Proposal - The above prices and conditions are satisfactory and hereby accepted. You are authorized to do the work

Signature: \_\_\_\_\_

## Exhibit B

### Scope of Work Phase 3

Petersburg Plumbing and Heating shall furnish labor, equipment, and etc. to install the 18" water mains, valves and hydrants, sample stations, and air releases in Phase 3, subject to the following:

- Petersburg will be paid at the hourly rate as shown on the attached rate sheets.
- Daily log sheets of equipment and labor used each day will be signed by foreman and construction observer.
- Petersburg will install the PVC mains inside the jack steel casing installed by J.L.B., spacers furnished by Village.
- Petersburg will attach mains to directional bore pipes installed by EBI.
- Village to furnish pipe materials, spot pipes along jobsite, furnish traffic control signs, have trees removed ahead of time, temporary livestock fences installed ahead of time, furnish backfill material, furnish CA-6 & 7.
- Petersburg shall schedule work and work with Construction Manager to coordinate Village services.
- Petersburg may need to sign permits for State of Illinois.



## Exhibit C

### **PETERSBURG PLUMBING & HEATING CO., INC.**

#### **Plumbing - Heating - Excavating - Directional Boring**

117 North Seventh Street - P.O. Box 440 - Petersburg, Illinois, 62675

Phone - 217-632-2221 Fax - 217-632-3117

**Since 1936**

#### **April 1 - December 31, 2010 Labor and Equipment Rates**

Plumber Forman - \$70.22/hr  
Plumber Journeyman - \$63.66/hr  
Laborer - \$50.48/hr  
Operator - \$57.91/hr  
Tandem and Driver - \$78.00/hr  
PPH Tandem and Driver -  
Flatbed Truck - \$19.32/hr  
Single Axle Dump/no driver - \$24.98/hr  
4'x24' trench box - \$3.18/hr  
6'x24' trench box - \$3.56/hr  
8'x16' trench box - \$8.55/hr  
8'x20' trench box - \$9.93/hr  
10'x20' trench box - \$11.65/hr  
Remote walk behind trench compactor - \$38.08/hr  
Plate compactor - \$9.82/hr  
350D Excavator - \$113.64/hr  
200CLC/D Excavator - \$61.89/hr  
120CLC Excavator - \$40.34/hr  
TB 175 Mini Excavator - \$34.53/hr  
310SG/SJ backhoe - \$31.83/hr  
544H/J Loader - \$37.52/hr  
Gehl 5640 Skid steer - \$44.25/hr  
450J Dozer - \$35.00/hr  
Vermeer 800 trencher - \$85.00/hr  
Vermeer 24x40 Directional Drill - \$81.28/hr  
Service Truck/hand tools - \$9.40/hr  
Case 660 trencher - \$21.84/hr  
Air compressor/185 CFM - \$10.43/hr  
Hydro Seeder - \$26.50/hr  
JD 3720 Garden Tractor - \$22.50/hr  
Moving of all equipment on tractor trailer to be done on time plus basis with invoices turned in monthly.

All above hourly prices are cost only. Add 15% overhead and 5% profit.