

## EXHIBIT C

### FEDERAL PROVISIONS FEDERAL HIGHWAY ADMINISTRATION REQUIREMENTS PROFESSIONAL SERVICES CONTRACTS

#### NOTIFICATION OF FEDERAL PARTICIPATION

To the extent required by law, in the announcement of any third party contract award for goods or services having an aggregate value of \$500,000 or more, the Recipient agrees to specify the amount of Federal assistance to be used in financing that acquisition of goods and services and to express that amount of that Federal assistance as a percentage of the total cost of that third party contract. This project is expected to have the following funding, federal 94.3% and local 5.7%.

#### DISADVANTAGED BUSINESS ENTERPRISES

A goal for the utilization of Disadvantaged Business Enterprises (DBE's) will **not** be established for the contract.

#### AWARD AND EXECUTION OF CONTRACT

When a contract is funded, either wholly or in part, by federal funds, an award of contract may be made contingent upon the successful bidder obtaining an appropriate license from the State Registrar of Contractors, in accordance with Arizona Revised Statutes 32-1101 through 32-1170.03. The license must be obtained within 60 calendar days following opening of bid proposals. No adjustment in proposed bid prices or damages for delay will be allowed as a result of any delay caused by the lack of an appropriate license.

Failure to acquire the necessary licensing within the specified period of time shall result in either award to the next lowest responsible bidder, or re-advertisement of the contract, as may be in the best interests of the Department.

Licensing information is available from:

Registrar of Contractors  
800 W. Washington  
6th Floor  
Phoenix, AZ 85007  
Phone: (602) 542-1502

#### SCOPE OF WORK

##### *Significant Changes in the Character of Work:*

- (1) The Engineer reserves the right to make, in writing, at any time during the work, such changes in quantities and such alterations in the work as are necessary to satisfactorily complete the project. Such changes in quantities and alterations shall not invalidate the contract nor release the surety, and the contractor agrees to perform the work as altered.

When the Department makes alterations in the details of construction or Specifications, that are limited in scope, to the extent that the cost of the alterations will not exceed \$5,000.00, the Engineer and the contractor may reach agreement upon the scope of work and a lump sum amount to cover the cost of the work to be performed. This agreement shall be reflected in a letter from the Engineer to the contractor, which, when executed by both parties, shall have the same force and effect as a supplemental agreement. Work shall not proceed until both parties have signed the agreement. This work will be paid for as Miscellaneous Work, at the lump sum amount agreed upon, which item will not be a part of the Bidding Schedule, but will be established by the Engineer through the initial letter agreement.

- (2) If the alterations or changes in quantities significantly change the character of the work under the contract, whether such alterations or changes are in themselves significant changes to the character of the work or, by affecting other work, cause such other work to become significantly different in character, an adjustment, excluding anticipated profits, will be made to the contract. The basis for the adjustment shall be agreed upon prior to the performance of the work. If a basis cannot be agreed upon, then an adjustment will be made either for or against the contractor in such amount as the Engineer may determine to be fair and equitable.
- (3) If the alterations or changes in quantities do not significantly change the character of the work to be performed under the contract, the altered work will be paid for as provided elsewhere in the contract.
- (4) The term "significant change" shall be construed to apply only to the following circumstances:
  - (a) When the character of the work as altered differs materially in kind or nature from that involved or included in the original proposed construction or
  - (b) When a major item of work, as defined elsewhere in the contract, is increased in excess of 125 percent or decreased below 75 percent of the original contract quantity. Any allowance for an increase in quantity shall apply only to that portion in excess of 125 percent of original contract item quantity, or in case of a decrease below 75 percent, to the actual amount of work performed.

***Suspensions of Work Ordered by the Engineer:***

- (1) If the performance of all or any portion of the work is suspended or delayed by the Engineer, in writing, for an unreasonable period of time (not originally anticipated, customary, or inherent to the construction industry) and the contractor believes that additional compensation and/or contract time is due as a result of such suspension or delay, the contractor

shall submit to the Engineer, in writing, a request for adjustment within 7 calendar days of receipt of the notice to resume work. The request shall set forth the reasons and support for such adjustment.

- (2) Upon receipt, the Engineer will evaluate the contractor's request. If the Engineer agrees that the cost and/or time required for the performance of the contract has increased as a result of such suspension and the suspension was caused by conditions beyond the control of and not the fault of the contractor, its suppliers, or subcontractors at any approved tier, and not caused by weather, the Engineer will make an adjustment (excluding profit) and modify the contract in writing accordingly. The contractor will be notified of the Engineer's determination whether or not an adjustment of the contract is warranted.
- (3) No contract adjustment will be allowed unless the contractor has submitted the request for adjustment within the time prescribed.
- (4) No contract adjustment will be allowed under this clause to the extent that performance would have been suspended or delayed by any other cause, or for which an adjustment is provided or excluded under any other term or condition of this contract.

***Differing Site Conditions:***

- (1) During the progress of the work, if subsurface or latent physical conditions are encountered at the site differing materially from those indicated in the contract or if unknown physical conditions of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in the work provided for in the contract, are encountered at the site, the party discovering such conditions shall promptly notify the other party in writing of the specific differing conditions before the site is disturbed and before the affected work is performed.
- (2) Upon written notification, the Engineer will investigate the conditions and if it is determined that the conditions materially differ and cause an increase or decrease in the cost or time required for the performance of any work under the contract, an adjustment, excluding anticipated profits, will be made and the contract modified in writing accordingly. The Engineer will notify the contractor of the determination whether or not an adjustment of the contract is warranted.
- (3) No contract adjustment which results in a benefit to the contractor will be allowed unless the contractor has provided the required written notice.
- (4) No contract adjustment will be allowed under this clause for any effects caused on unchanged work.