

**CITY OF MARATHON, FLORIDA
RESOLUTION 2008-110**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AUTHORIZING AWARD OF CONSTRUCTION CONTRACT TO LANZO CONSTRUCTION CO., FLORIDA FOR CONSTRUCTION OF SERVICE AREA 5 COLLECTION SYSTEM FOR WASTEWATER AND STORMWATER IN AN AMOUNT NOT TO EXCEED \$19,126,494; AUTHORIZING THE MANAGER TO EXECUTE THE AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City of Marathon (The City) published an Invitation To Bid (ITB), for Service Area 5 collection system for wastewater and stormwater project (The Project) opening on May 27, 2008; and

WHEREAS, based upon information provided in the lowest bidder's Contractor's Qualification Statement, staff believes the lowest bidder failed to demonstrate they have the experience and the expertise required to complete the Project in a manner acceptable to the City; and

WHEREAS, the second lowest bidder, Lanzo Construction Co., Florida, has performed several construction projects consistent with the scope of work for the project and has shown the capabilities to satisfactorily construct projects of this type and magnitude within the contract time frames; and

WHEREAS, staff recommends award of the construction of the Project to Lanzo Construction Co., Florida.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, that:

Section 1. The above recitals are true and correct and incorporated herein.

Section 2. The City Council hereby approves the contract between Lanzo Construction Co., Florida, and the City, a copy of which is attached hereto as Exhibit "A", for the Construction of Service Area 5 Collection System for the Wastewater and Stormwater Project in an amount of \$19,126,494.00, together with such non-material changes as may be acceptable to the City Manager and approved as to form and legality by the City Attorney.

Section 3. The City Manager or his designee is authorized to execute the Agreement on behalf of the City.

Section 4. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED by the City Council of the City of Marathon, Florida, this 14th day of October, 2008.

THE CITY OF MARATHON, FLORIDA


Edward P. Worthington, Mayor

AYES: Cinque, Bull, Tempest, Worthington
NOES: Vasil
ABSENT: None
ABSTAIN: None

ATTEST:


Diane Clavier, City Clerk

(City Seal)

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:


Jimmy Morales, City Attorney

**SECTION 00500
CONSTRUCTION CONTRACT**

THIS CONTRACT (the "Contract") is dated as of the 9th day of September, 2008 by and between **THE CITY OF MARATHON** (hereinafter called the "CITY") and Lanzo Construction Co. Florida (hereinafter called **CONTRACTOR**) located at: 125 S.E. 5th Court, Deerfield Beach, FL 33441

CITY and **CONTRACTOR**, in consideration of the mutual covenants hereinafter set forth, agree as follows:

Article 1. WORK

1.1 Project/Work. **CONTRACTOR** shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as the following: the **CITY OF MARATHON SERVICE AREA 5 WASTEWATER AND STORMWATER PROJECT**. The project consists of constructing and installing wastewater infrastructure (including dry lines), storm water lines and improvements, water re-use lines and other associated infrastructure, all in accordance with the construction drawings.

Article 2. CITY'S REPRESENTATIVE, ARCHITECT AND ENGINEER

2.1. It is understood that the City will designate a representative for the Work. The **CITY'S REPRESENTATIVE** referred to in any of the Contract Documents designated herein is Susie Thomas at City Hall, 10045-55 Overseas Highway, Marathon Florida 33050.

2.2 The City's **ARCHITECT** referred to in any of the Contract Documents designated herein is N/A.

2.3 The City's **ENGINEER** referred to in any of the Contract Documents designated herein is Edward R. Castle of The Weiler Engineering Corporation, 5800 Overseas Highway, Suite 36, Marathon, Florida 33050.

Article 3. TERM

3.1 Contract Times. The work shall be substantially completed within **eight hundred fifty (850)** calendar days after the date specified in the Notice to Proceed ("Substantial Completion"), and completed and ready for final payment in accordance with the Contract Documents within **nine hundred fifteen (915)** calendar days after the date specified in the Notice to Proceed ("Final Completion").

3.2. Term. The term of the Contract shall be from the date of execution through the date of final payment unless terminated earlier pursuant to Document 00700, Article 14, Payments to Contractor and Completion of the General Conditions.

3.3 Survival of Obligations. Any obligations by the Contractor, including but not limited to Document 00700, Article 12, Contractor's General Warranty and Guarantee, that would or could occur after the date of expiration or termination of the Contract shall survive the termination or expiration of the Contract.

3.4. Liquidated Damages. **CITY** and **CONTRACTOR** recognize that time is of the essence in this Contract and that the **CITY** will suffer financial loss if the Work is not completed within the contract times specified in Section 3.1 for the Work above, plus any approved extensions thereof allowed in accordance with the General Conditions. The **CONTRACTOR** also recognizes the delays, expense and difficulties involved in proving the actual loss suffered by **CITY** if the Work is not completed on time. Accordingly, instead of requiring any such proof, **CITY** and **CONTRACTOR** agree that as liquidated damages for delay (but not as a penalty) **CONTRACTOR** shall pay **CITY One Thousand Five Hundred Dollars (\$1,500.00)** for each calendar day that expires after the time specified in Section 3.1 for Substantial Completion of the Work. After Final Completion, if **CONTRACTOR** shall neglect, refuse or fail to complete the remaining Work within the time specified in Section 3.1 for completion and readiness for final payment or any proper extension thereof granted by **CITY**, **CONTRACTOR** shall pay **CITY Two Thousand Dollars (\$2,000.00)** for each calendar day that expires after the time specified in Section 3.1 for completion and readiness for final payment.

3.5. Should the Final Completion and acceptance of Work, together with any modification or additions, be delayed beyond the time for performance set in Section 3.1 above because of lack of performance by the **CONTRACTOR**, it is understood and agreed that aside from any other liquidated damages, all actual additional costs incurred by the **CITY** for professional services will be the responsibility of the **CONTRACTOR**.

3.6. Monies due to the **CITY** under Sections 3.4 and 3.5 shall be deducted from any monies due the **CONTRACTOR**, or if no money is due or the amount due is insufficient to cover the amount charged, the **CONTRACTOR** shall be liable for said amount.

Article 4. CONTRACT PRICE

4.1 **CITY** shall pay **CONTRACTOR** for completion of the Work in accordance with the Contract Documents an amount in current funds equal to the sum of the amounts determined pursuant to Sections 4.1.1 and 4.1.2 below:

4.1.1 For all Unit Price Work, an amount equal to the sum of the established unit price for each separately identified item of Unit Price Work times the estimated quantity of that item as indicated in this Section 4.1.1.

4.1.2 Unit Price Work (Combined Bid Form)

Lanzo Construction				
Item #	Description	Quantity	Unit Price	Exention
SANITARY SEWER				
Vacuum Main				
	4-nch SDR 21 PVC Pipe for Vacuum Sewer line, complete, in place.	51,315.00	\$40.00 ✓	\$2,052,600.00
2	6-inch SDR 21 PVC Pipe for Vacuum Sewer line, complete, in place.	21,475.00	\$42.00 ✓	\$901,950.00
3	8-nch SDR 21 PVC Pipe for Vacuum Sewer line, complete, in place.	10,270.00	\$45.00 ✓	\$462,150.00
4	10-inch SDR 21 PVC Pipe for Vacuum Sewer line, complete, in place.	4,100.00	\$60.00 ✓	\$246,000.00
5	Yellowtail Drive Bridge Crossing, complete, in place.	1.00	\$27,000.00 ✓	\$27,000.00
6	Sirrup Key Blvd #1 Bridge Crossing, complete, in place.	1.00	\$28,000.00 ✓	\$28,000.00

7	Sirrup Key Blvd #2 Bridge Crossing, complete, in place.	1.00	\$33,000.00 ✓	\$33,000.00
8	12-inch DR 11 HDPE US Highway 1 crossing, complete in place. (2 pipes)	1.00	\$80,000.00 ✓	\$80,000.00
9	Concrete Encasement	490.00	\$70.00 ✓	\$34,300.00
	Gate Valves			
10	3-inch Gate Valve, complete, in place.	32.00	\$1,000.00 ✓	\$32,000.00
11	4-inch Gate Valve, complete, in place.	67.00	\$1,100.00 ✓	\$73,700.00
12	6-inch Gate Valve, complete, in place.	24.00	\$1,300.00 ✓	\$31,200.00
13	8-inch Gate Valve, complete, in place.	12.00	\$1,900.00 ✓	\$22,800.00
14	10-inch Gate Valve, complete, in place.	5.00	\$2,700.00 ✓	\$13,500.00
	Services & Piping			
15	Vacuum Service Pits, Type A, complete, in place.	186.00	\$6,300.00 ✓	\$1,171,800.00
16	Vacuum Service Pits, Type B, complete, in place.	4.00	\$6,800.00 ✓	\$27,200.00
17	Vacuum Service Pits, Type D, complete, in place.	264.00	\$6,300.00 ✓	\$1,663,200.00
18	3-inch Vacuum Service with Crossover connection, complete, in place.	11,318.00	\$60.00 ✓	\$679,080.00
19	6-inch Gravity Service Lateral, complete, in place	23,577.00	\$50.00 ✓	\$1,178,850.00
20	6-inch Gravity Service Cleanout, complete, in place.	1,278.00	\$460.00 ✓	\$587,880.00
21	Connection to existing 10" vacuum main, 1st Avenue	1.00	\$2,100.00 ✓	\$2,100.00

22	Connection to existing 10" vacuum main, Aviation Blvd.	1.00	\$2,100.00	✓	\$2,100.00
	Stormwater				
23	18-inch Perforated HDPE Trench Drain, complete, in place. Type A	37,384.00	\$130.00	✓	\$4,859,920.00
24	18-inch HDPE Pipe, complete in place, Type B	5,848.00	\$110.00	✓	\$643,280.00
25	Well Control Structure, complete, in place	19.00	\$14,000.00	✓	\$266,000.00
26	8-inch injection well, complete, in place.	1.00	\$16,000.00	✓	\$16,000.00
27	10-inch injection well, complete, in place.	5.00	\$19,000.00	✓	\$95,000.00
28	12-inch injection well, complete, in place.	5.00	\$21,000.00	✓	\$105,000.00
29	15-inch injection well, complete, in place.	4.00	\$24,000.00	✓	\$96,000.00
30	18-inch injection well, complete, in place.	2.00	\$30,000.00	✓	\$60,000.00
31	20-inch injection well, complete, in place.	1.00	\$32,000.00	✓	\$32,000.00
32	24-inch injection well, complete, in place.	1.00	\$35,000.00	✓	\$35,000.00
33	Drain Inlet structure	309.00	\$2,400.00	✓	\$741,600.00
34	Concrete curbing, 6" width	1,850.00	\$37.00	✓	\$68,450.00
35	Concrete curbing, 12" width	25.00	\$74.00	✓	\$1,850.00
	General				
36	1 inch roadway overlay, complete, in place.	182,276.00	\$9.00	✓	\$1,640,484.00
37	Striping, complete, in place	15,500.00	\$1.00	✓	\$15,500.00
	SUBTOTAL				\$18,026,494.00
38	Bonds, Insurance, taxes, etc.			✓	\$200,000.00
39	Mobilization			✓	\$900,000.00
	TOTAL BASE BID				\$19,126,494.00

TOTAL OF ALL UNIT PRICES

Nineteen million one hundred twenty-six thousand four hundred ninety four DOLLARS

\$19,126,494.00 (dollars)

Estimated quantities are not guaranteed, and determination of actual quantities and classification are to be made by ENGINEER as provided in the Contract Documents.

4.2. The **CONTRACTOR** agrees that all specific cash allowances are included in the above Contract Price and have been computed in accordance with the Contract Documents.

Article 5. PAYMENT PROCEDURES

5.1 **CONTRACTOR** shall submit Applications for Payment in accordance with the General Conditions, Article 14, Payments to Contractor and Completion. Applications for Payment will be processed by **CITY** as provided in the General Conditions.

5.2 **Progress Payments, Retainage.** **CITY** shall make progress payments, deducting the amount from the Contract Price above, on the basis of **CONTRACTOR'S** Applications for Payment as recommended by the **CITY'S REPRESENTATIVE**, on or about the last day of each month during construction as provided herein. All such payments will be made in accordance with the schedule of values established in the General Conditions or, in the event there is no schedule of values, as provided in the General Conditions.

5.3. The **CONTRACTOR** agrees that ten percent (10%) of the amount due for Work as set forth in each Application for Payment shall be retained by City for each Progress Payment until Final Payment, as defined in the General Conditions, Article 14, Payments to Contractor and Completion.

5.3.1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated above, but, in each case, less the aggregate of payments previously made and less such amounts as **CITY'S REPRESENTATIVE** shall determine, or **CITY** may withhold, in accordance with the General Conditions.

5.4. The payment of any Application for Payment by **CITY**, including the Final Request, does not constitute approval or acceptance by **CITY** of any item of the Work in such Request for Payment, nor shall it be construed as a waiver of any of City's rights hereunder or at law or in equity.

5.5. The Final Application for Payment by **CONTRACTOR** shall not be made until the **CONTRACTOR** delivers to the City complete original releases of all liens and claims signed by all Subcontractors, materialmen, suppliers, and vendors on a form approved by the **CITY**, and an affidavit that so far as the **CONTRACTOR** has knowledge or information, the releases include and cover all Materials and Work for which a lien or claim could be filed. The **CONTRACTOR** may, if any Subcontractor, materialmen, supplier or vendor refuses to furnish the required Final Waiver of Lien, furnish a bond satisfactory to City to defend and indemnify City and any other property owner, person or entity City may be required to indemnify against any lien or claim.

5.6. **Final Payment.** Upon final completion and acceptance of the Work in accordance with the General Conditions, **CITY** shall pay the remainder of the Contract Price and any retainage as recommended by the **CITY'S REPRESENTATIVE**.

Article 6. INSURANCE/INDEMNIFICATION.

6.1. **Insurance.** The **CONTRACTOR** shall secure and maintain throughout the duration of this Contract, insurance of such type and in such amounts necessary to protect its interest and the interest of the **CITY** against hazards or risks of loss as specified in the General Conditions of the Contract Documents.

6.2. **Indemnification.** The **CONTRACTOR** shall indemnify, defend and hold harmless the **CITY**, their officials, agents, employees, and volunteers as set forth in General Conditions of the Contract Documents.

Article 7. CONTRACTOR'S REPRESENTATIONS.

In order to induce **CITY** to enter into this Contract, **CONTRACTOR** makes the following representations:

7.1. **CONTRACTOR** has examined and carefully studied the Contract Documents (including the Addenda) and the other related data identified in the Bidding Documents including "technical data."

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 made, or caused to be made, examinations, investigations, tests and/or studies as necessary to determine surface and subsurface conditions at or on the site. **CONTRACTOR** acknowledges that **CITY** does 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) all such additional supplementary 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 of 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. The **CONTRACTOR** is aware of the general nature of Work to be performed by **CITY** and others at the site that relates to the Work as indicated in the Contract Documents.

7.6. The **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. The **CONTRACTOR** has given the **CITY'S REPRESENTATIVE** written notice of all conflicts, errors, ambiguities or discrepancies that **CONTRACTOR** has discovered in the Contract Documents and the written resolution thereof by the **CITY'S REPRESENTATIVE** is acceptable to **CONTRACTOR**, and the Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

7.8. The **CONTRACTOR** warrants the following:

7.8.1. **Anti-Discrimination:** The **CONTRACTOR** agrees that it will not discriminate against any employees or applicants for employment or against persons for any other benefit or service under this Contract because of race, color, religion, sex, national origin, or physical or mental handicap where the handicap does not affect the ability of an individual to perform in a position of employment, and to abide by all federal and state laws regarding non-discrimination.

7.8.2. **Anti-Kickback:** The **CONTRACTOR** warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, and that no employee or officer of the **CITY**, **FDEP**, **SFWMD** or **FDOT** has any interest, financially or otherwise, in the Project. For breach or violation of this warranty, the City shall have the right to annul this Contract without liability or, in its discretion, to deduct from the Contract price or consideration, the full amount of such commission, percentage, brokerage or contingent fee.

7.8.3. **Licensing and Permits:** The **CONTRACTOR** warrants that it shall have, prior to commencement of work under this Contract and at all times during said work, all required licenses and permits whether federal, state, County or City.

7.8.4. **Public Entity Crime Statement:** The **CONTRACTOR** warrants that it has not been placed on the convicted vendor list following a conviction for public entity crime, as specified in Document 00100, Section 7.5, of the Instructions to Bidders.

Article 8. CONTRACT DOCUMENTS.

8.1 The Contract Documents listed below, which are listed in their order of precedence for the purpose of resolving conflicts, errors and discrepancies, by this reference shall become a part of the **CONTRACT** as though physically attached as a part thereof:

- 8.1.1 Change Orders.
- 8.1.2 Field Orders.
- 8.1.3 Contract for Construction.
- 8.1.4 Exhibits to this Contract.
- 8.1.5 Supplementary Conditions.
- 8.1.6 General Conditions.
- 8.1.7 The Department of Environmental Protection permit and the South Florida Water Management District permit for the Project
- 8.1.8 Specifications bearing the title: Marathon Service Area 5 Sewer & Stormwater Project
- 8.1.9 Drawings consisting of a cover sheet and inclusive of all sheets bearing the following general titles: Marathon Sanitary Sewer Area 5 and Marathon Stormwater Area 5.
- 8.1.10 Bid Documents, including but not limited to: Addendum, Invitation to Bid, Instructions to Bidders, Bid Form provided by CONTRACTOR, Notice of Award and Notice to Proceed.
- 8.1.11 Addenda subject matter takes the same precedence of the respective subject matter that it is modifying. Furthermore, each subsequent addendum takes precedence over previous addenda.
- 8.1.12 The documents listed above shall be incorporated into this Contract (except as expressly noted otherwise above).
- 8.1.13 There are no Contract Documents other than those listed above in this Article. The Contract Documents may only be amended, modified or supplemented as provided in the General Conditions.
- 8.1.14 The Contract Documents shall remain the property of the CITY. The CONTRACTOR shall have the right to keep one record set of the Contract Documents upon completion of the Project; provided; however, that in no event shall the CONTRACTOR use, or permit to be used, any or all of such Contract Documents on other Projects without the City's prior written authorization.
- 8.1.15 The General Conditions discuss the bond and surety requirements of the CITY. This Contract does require bonds. If the Contract does not require bonds, the references to bonds in the General Conditions do not apply to this Contract.

Article 9. MISCELLANEOUS.

9.1. Terms used in this Contract which are defined in Article 1 of the General Conditions will have the meanings indicated in the General Conditions. Terms used in Article 1 of the Instructions to Bidders also apply to this Contract.

9.2. Except as otherwise provided in the Contract Documents with respect to subcontractors, no assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party thereto 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. **CITY** 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. Severability: Should any provision, paragraph, sentence, word, or phrase contained in this Contract be determined by a court of competent jurisdiction to be invalid, illegal, or otherwise unenforceable under the laws of the State of Florida, such provision, paragraph, sentence, word, or phrase shall be deemed modified to the extent necessary in order to conform with such laws, then shall be deemed severable, and in this Contract, shall remain unmodified and in full force and effect.

9.5. Remedies: If and when any default of this Contract occurs, the **CITY** may avail itself of any legal or equitable remedies that may apply, including, but not limited to, actual damages and specific performance. Such remedies may be exercised in the sole discretion of the **CITY**. Nothing contained in this Contract shall limit the **CITY** from pursuing any legal or equitable remedies that may apply.

9.6. Access to Public Records: The **CONTRACTOR** shall comply with the applicable provisions of Chapter 119, Florida Statutes. The **CITY** shall have the right to immediately terminate this contract for the refusal by the Contractor to comply with Chapter 119, Florida Statutes. The Contractor shall retain all records associated with this Contract for a period of five (5) years from the date of Final Payment or Termination of this Contract.

9.7. Inspection and Audit: During the term of this Contract and for five (5) years from the date of Termination, the **CONTRACTOR** shall allow **CITY** representatives access during reasonable business hours to **CONTRACTOR'S** records related to this Contract for the purposes of inspection or audit of such records. If upon an audit of such records, the **CITY** determines the **CONTRACTOR** was paid for services not performed, upon receipt of written demand by the **CITY**, the **CONTRACTOR** shall remit such payments to the **CITY**.

9.8. Counterparts: This contract may be signed in one or more counterparts, each of which when executed shall be deemed an original and together shall constitute one and the same instrument.

9.9. Notices: Whenever any party is required to give or deliver any notice to any other party, or desires to do so, such notices shall be sent via certified mail or hand delivery to:

FOR CONTRACTOR:

Lanzo Construction Co. Florida
125 S.E. 5th Court
Deerfield Beach, FL 33441
Matthew Tilli, Vice President

FOR CITY:

City of Marathon
9805 Overseas Highway
Marathon, Florida 33050
ATTN: Clyde Burnett, City Manager

WITH COPY TO:

Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.
150 W. Flagler Street, Suite 2200
Miami, Florida 33130
ATTN: City Attorney

9.10. Waiver Of Jury Trial And Venue: The **CITY** and **CONTRACTOR** knowingly, irrevocably, voluntarily and intentionally waive any right either may have to a trial by jury in State and or Federal court proceedings in respect to any action, proceeding, lawsuit or counterclaim based upon the Contract, arising out of, under, or in connection with the Work, or any course of conduct, course of dealing, statements or actions or inactions of any party. The venue for any lawsuit arising out of this Contract shall be in the Middle Keys Division, Monroe County, Florida.

9.11. Attorneys' Fees: If either the **CITY** or **CONTRACTOR** is required to enforce the terms of the Contract by court proceedings or otherwise, whether or not formal legal action is required, the prevailing party shall be entitled to recover from the other party all such costs and expenses, including, but not limited to, court costs, and reasonable attorneys' fees.

9.12. Amendments: This Contract may only be amended by the prior written approval of the parties or by execution of a Change Order in the form attached hereto as Exhibit A.

IN WITNESS WHEREOF, the parties hereto have made and executed this Contract on the respective dates under each signature: THE CITY OF MARATHON, FLORIDA, signing by and through its City Manager, authorized to execute same by Council action on the 9th day of September, 2008, and by Lanzo Construction Co. Florida (**Contractor**), signing by and through its **President**, duly authorized to execute same.

CITY

ATTEST -

Diane Clavier
City Clerk

CITY OF MARATHON, FLORIDA
Clyde Burnett
Clyde Burnett, City Manager

15 day of October, 2008.

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND BENEFIT OF THE CITY OF MARATHON ONLY:

By: [Signature]
City Attorney

CONTRACTOR

WITNESS
By: [Signature]
Sharon F. Kuntze

Lanzo Construction Co. Florida
125 SE 5th Court
Deerfield Beach FL 33442

By [Signature]
(Signature and Title)

(Corporate Seal)

Matthew P. Tilli, Vice President
(Type Name/Title signed above)

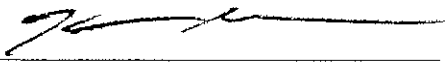
This 17 day of September, 2008.

(In the event that the Contractor is a corporation, there shall be attached to each counterpart a certified copy of a resolution of the board of the corporation, authorizing the officer who signs the contract to do so in its behalf.*

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, Kevin Pawlowski, certify that I am of the Assistant Secretary and that Matthew P. Tilli, who signed the Bid with the City of Marathon, Monroe County, Florida for Lanzo Construction Co. Fl is Vice President of said Corporation with full authority to sign said Bid on behalf of the Corporation.

Signed and sealed this day of September, 2008.

(SEAL) 
Signature

Kevin Pawlowski, Assistant Secretary
Typed w/Title

STATE OF FLORIDA
COUNTY OF ~~MONROE~~ BROWARD

SWORN TO AND SUBSCRIBED before me this 8TH day of September, 2008.

My Commission Expires: 08-01-12


Notary Public



CERTIFICATE AS TO AUTHORIZED CORPORATE PERSONNEL

I, Matthew P. Tilli, certify that I am the Vice President of Lanzo Construction Co. Florida, who signed the Bid with the City of Marathon, Monroe County, Florida, for the project titled Service Area 5 Wastewater and Stormwater Project, and that the following persons have the authority to sign payment requests on behalf of the Corporation:

Matthew P. Tilli
(Signature)

Matthew P. Tilli, Vice President
(Typed Name w/Title)

J. Tilli
(Signature)

James M. Tilli, Project Manager
(Typed Name w/Title)

Robert W. Beaty
(Signature)
Robert W. Beaty, Assistant Secretary
(Typed Name w/Title)

Signed and sealed this 17 day of September, 2008.

(SEAL) Matthew P. Tilli
Signature

Matthew P. Tilli, Vice President
Typed w/Title

STATE OF FLORIDA
COUNTY OF ~~MONROE~~ BROWARD

SWORN TO AND SUBSCRIBED before me this 17 day of September, 2008.

My Commission Expires: 08.01.12

Sharon F. Kuntze
Notary Public



CHANGE ORDER NO. _____

TO: City of Marathon

PROJECT: City of Marathon Service Area 5 Wastewater and Stormwater Project

CONTRACTOR: DATE: _____

This Change Order will authorize the following change to the Agreement:

The Work as set forth in the Agreement is hereby amended to include the items set forth on Exhibit "A" attached hereto and by this reference made a part hereof.

This Change Order constitutes full, final, and complete compensation to the Contractor for all costs, expenses, overhead, and profit, and any damages of every kind that the Contractor may incur in connection with the above referenced changes in the Work, and any other effect on any of the Work under this Agreement. The Contractor acknowledges and agrees that (a) the Contract Price of \$ _____ under the Agreement will be [unchanged] [changed] by this Change Order, and (b) the schedule for performance of Work will be [unchanged] [changed] by this Change Order. Contractor expressly waives any claims for any additional compensation, damages or time extensions in connection with the above-referenced changes. Except as herein or heretofore expressly modified, all terms of the Agreement shall remain in full force and effect and shall cover the performance of, and payment for, any work authorized hereunder. Any defined terms not defined in this Change Order shall have the meanings set forth in the Agreement.

By signing below the parties indicate acceptance of this Change Order as set forth herein.

THE CITY OF MARATHON
a Florida municipal corporation

CONTRACTOR

By: _____
Name: _____
Title: _____

By: Matthew P. Tilli
Name: Matthew P. Tilli
Title: Vice President

END OF SECTION

PERFORMANCE BOND

BY THIS BOND (the "Bond"), We as Lanzo Construction Co., Florida,
called CONTRACTOR, and Safeco Insurance Company of America,
hereinafter called SURETY, are bound to the CITY OF MARATHON, a Florida municipal
corporation, hereinafter called CITY, in the amount of Nineteen Million One Hundred Twenty Six Thousand
Four Hundred Ninety Four and 00/100 (\$19,126,494.00) Dollars

for payment of which CONTRACTOR and SURETY bind themselves, their heirs, personal
representatives, executors, administrators, successors and assigns, jointly and severally, with
reference to a written CONTRACT entered into by CONTRACTOR and CITY, for the following:

Contract Title: City of Marathon Service Area 5 Wastewater and Stormwater Project

THE CONDITION OF THIS BOND is that if the CONTRACTOR:

1. Performs said contract in accordance with its terms and conditions; and
2. Pays CITY all losses, damages (direct and consequential including delay and liquidated damages), expenses, costs, and attorney's fees, including appellate proceedings, that CITY sustains because of a default by CONTRACTOR under the CONTRACT; and
3. Pays CITY and all other amounts due CITY by CONTRACTOR because of a default by CONTRACTOR under the CONTRACT; and
4. Performs the guarantee of all work and materials furnished under the CONTRACT for the time specified in the CONTRACT;

THEN THIS BOND IS VOID, OTHERWISE, IT REMAINS IN FULL FORCE.

Any changes in or under the Contract Documents and compliance or noncompliance with formalities, connected with the Contract or with the changes, do not affect the Surety's obligation under this bond. Surety hereby waives notice of any alteration or extension of time made by the City. Any suit under this bond must be initiated before the expiration of the limitation period applicable to common law bonds under Florida Statutes.

CITY

CITY OF MARATHON, FLORIDA

By: _____

The ____ day of _____, 20__.

AUTHENTICATION:

City Clerk

(SEAL)

APPROVED AS TO FORM AND LEGALITY
FOR THE USE AND BENEFIT OF THE
CITY OF MARATHON ONLY:

City Attorney

WHEN THE PRINCIPAL IS AN **INDIVIDUAL**:

Signed, sealed and delivered in the presence of:

(Witness)

By: _____
(Individual Principal)

(Witness)

Business Address

WHEN THE PRINCIPAL OPERATES UNDER A **TRADE NAME**:

Signed, sealed and delivered in the presence of:

(Witness)

Business Name and Address

(Witness)

By: _____
Signature of Individual

WHEN A **PARTNERSHIP**:

Signed, sealed and delivered in the presence of:

(Witness)

Name and Address of Partnership

(Witness)

(Partner)

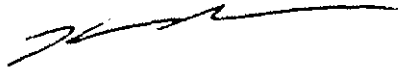
WHEN THE PRINCIPAL IS A CORPORATION:

ATTEST:

(Corporate Seal)

Lanzo Construction Co., Florida
(Type Corporate Principal Name)

125 S.E. 5th Court, Deerfield Beach, FL 33441
Business Address



Asst. (Secretary)

By: Matthew P. Tili
Vice President MATTHEW P. TILI

SURETY

ATTEST:

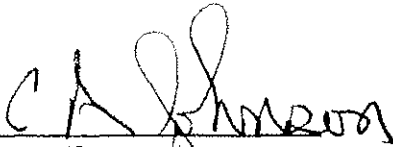
(Surety Seal)

Safeco Insurance Company of America

(Type Corporate Surety Name)

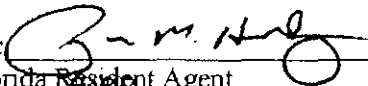
2800 W. Higgins Road, Suite 1000, Hoffman Estates, IL 60169

Business Address



(Secretary)
C.A. Johnson, Attorney-in-fact

By:
SURETY

By: 

Florida Resident Agent
Licensed

Paul M. Hurley

(Type Florida Resident Name)
Licensed Agent

248-519-1400

Florida Agent's Business Telephone Number

ATTORNEY-IN-FACT

By: 

Name Michelle K. Buechel, Attorney-in-fact
(Type)

NOTE 1: Surety shall provide evidence of signature authority, i.e., a certified copy of Power of Attorney.

NOTE 2: If both the Principal and Surety are Corporations, the respective Corporate Seals shall be affixed and attached.

NOTE 3: Surety shall include evidence that Agent is licensed in Florida.

IMPORTANT: Surety companies executing BONDS must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State of Florida.

ATTACH a certified copy of Power-of-Attorney appointing individual Attorney-in-Fact for execution of Performance Bond on behalf of Surety.

SECTION 00620

PAYMENT BOND

BY THIS BOND (the "Bond"), We as Lanzo Construction Co., Florida _____, called CONTRACTOR, and Safeco Insurance Company of America _____, hereinafter called SURETY, are bound to the CITY OF MARATHON, a Florida municipal corporation, hereinafter called CITY, in the amount of Nineteen Million One Hundred Twenty Six Thousand Four Hundred Ninety Four and 00/100 (\$19,126,494.00) Dollars for payment of which CONTRACTOR and SURETY bind themselves, their heirs, personal representatives, executors, administrators, successors and assigns, jointly and severally, with reference to a written CONTRACT entered into by CONTRACTOR and CITY, for the following:

Contract Title: City of Marathon Service Area 5 Wastewater and Stormwater Project

THE CONDITION OF THIS BOND is that if the CONTRACTOR:

Promptly makes payments to all claimants as defined in Section 255.05(1), Florida Statutes, supplying CONTRACTOR with labor, material, or supplies, used directly or indirectly by CONTRACTOR in the prosecution of the work provided for in the contract;

THEN THIS BOND IS VOID, OTHERWISE, IT REMAINS IN FULL FORCE.

Any changes in or under the Contract Documents and compliance or noncompliance with formalities, connected with the CONTRACT or with the changes, do not affect Surety's obligation under this bond. Surety hereby waives notice of any alteration or extension of time made by the CITY.

Claimants must comply with notice requirements set forth in Section 255.05(2), Florida Statutes. No action shall be instituted against the CONTRACTOR or Surety under this bond after one (1) year from the performance of the labor or completion of the delivery of the materials or supplies.

IN WITNESS WHEREOF, this instrument is executed this the _____ day of _____, 2008.

WHEN THE PRINCIPAL IS AN INDIVIDUAL:

Signed, sealed and delivered in the presence of:

(Witness) By: _____
(Individual Principal)

(Witness) Business Address _____

WHEN THE PRINCIPAL OPERATES UNDER A TRADE NAME:

Signed, sealed and delivered in the presence of:

(Witness) Business Name and Address

(Witness) By: _____
Signature of Individual

WHEN A PARTNERSHIP:

Signed, sealed and delivered in the presence of:

(Witness) Name and Address of Partnership

(Witness) By: _____
(Partner)

WHEN THE PRINCIPAL IS A CORPORATION:

ATTEST:

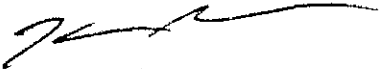
(Corporate Seal)

Lanzo Construction Co., Florida

(Corporate PRINCIPAL Name)

125 S.E. 5th Court, Deerfield Beach, FL 33441

Business Address



Asst. Secretary Kevin Pawlowski

By: Matthew P. Tilli
Vice President MATTHEW P. TILLI

ATTEST:

(Surety Seal)

Safeco Insurance Company of America
(Corporate SURETY)


~~(Secretary)~~
C.A. Johnson, Attorney-in-fact

2800 W. Higgins, Suite 1000, Hoffman Estates, IL 60169
Business Address

By: 
(Surety)

Paul M. Hurley
Florida Resident Agent
Licensed

ATTORNEY-IN-FACT

By: 

Name Michelle K. Buechel, Attorney-in-fact
(Type)

NOTE 1: Surety shall provide evidence of signature authority, i.e., a certified copy of Power of Attorney.

NOTE 2: If both the Principal and Surety are Corporations, the respective Corporate Seals shall be affixed and attached

IMPORTANT: Surety companies executing BONDS must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State of Florida.

ATTACH a certified copy of Power-of-Attorney appointing individual Attorney-in-Fact for execution of Performance Bond on behalf of Surety.

The Performance Bond and the Statutory Payment Bond and the covered amounts of each are separate and distinct from each other.

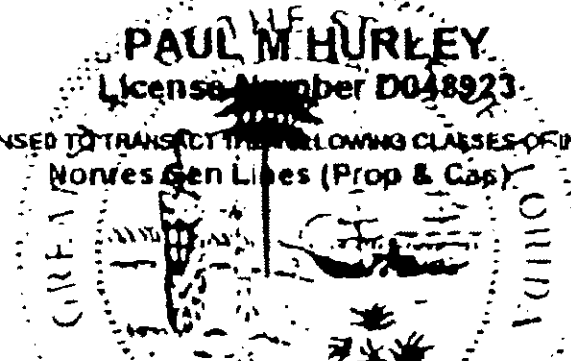
FLORIDA DEPARTMENT OF INSURANCE

PAUL M. HURLEY

License Number D048923

IS LICENSED TO TRANSACT THE FOLLOWING CLASSES OF INSURANCE

Nonres Gen Lincs (Prop & Cas)



"NOTICE" - This non-resident license is limited to the classes of insurance reflected above and is further limited to ~~only~~ those classes of insurance for which you are licensed in your home state. Please be governed accordingly. This licensee must have an active appointment with the insurer or employer for which products or services are being marketed. See reverse for additional requirements.



POWER OF ATTORNEY

Safeco Insurance Companies
PO Box 34526
Seattle, WA 98124-1526

No. 12639

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

*****LINDA L. AUSTIN; ANNE M. BARICK; MICHELLE K. BUECHEL; T. R. GUY; ROBERT D. HEUER; PAUL M. HURLEY; C. A. JOHNSON; MARGARET M. KOHLOFF; MICHAEL D. LECHNER; Troy, Michigan*****

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 8th day of December 2005

STEPHANIE DALEY-WATSON, SECRETARY

MIKE PETERS, PRESIDENT, SURETY

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business... On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
- (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
- (iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Stephanie Daley-Watson, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney Issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this _____ day of _____



STEPHANIE DALEY-WATSON, SECRETARY

Safeco® and the Safeco logo are registered trademarks of Safeco Corporation

ACORD™ CERTIFICATE OF LIABILITY INSURANCE DATE (MM/DD/YYYY)
9/10/2008

PRODUCER (248)519-1400 FAX: (248)519-1401
Guy Hurley Blaser and Heuer, LLC
1080 Kirts Blvd., Suite 500

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

Troy MI 48084
INSURED
Lanzo Construction Company Florida
1 Stainless Plaza
125 S.E. 5th Court
Deerfield Beach FL 33441

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A	Valley Forge Ins Co.	20508
INSURER B	St. Paul Travelers Fire &	
INSURER C	Federal Insurance Co.	20281
INSURER D		
INSURER E		

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> X C U Coverage Incl	2086706825	9/30/2007	9/30/2008	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO JECT <input type="checkbox"/> LOC				
A		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	2086930161	9/30/2007	9/30/2008	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
B		EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$10,000	0K02100482	9/30/2007	9/30/2008	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$ \$ \$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
C		OTHER Inland Marine	45462705	09/30/2007	09/30/2008	Leased or Rented \$250,000 Equipment Deductible \$25000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
Project: City of Marathon Service Area 5 Wastewater and Stormwater. City of Marathon is added as Additional Insured with respect to General Liability for project listed.
Lanzo Project F-376

CERTIFICATE HOLDER
City of Marathon
Att: Clyda Burnett
9805 Overseas Highway
Marathon, FL 33050

CANCELLATION
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
AUTHORIZED REPRESENTATIVE
Paul Hurley/CSMITH *Paul M. Hurley*