



PROFESSIONAL SERVICES AGREEMENT
Construction Management Services
WATER MAIN REPLACEMENTS - CONSTRUCTION MANAGEMENT SERVICES

Project No. WA1912.451

Council Date: July 15, 2021 Item No.

THIS AGREEMENT ("Agreement") is made and entered into on the ____ day of _____, 2021 ("Effective Date"), by and between City of Chandler, an Arizona municipal corporation, ("City"), and **Entellus, Inc.**, an Arizona corporation, ("Consultant") (City and Consultant may individually be referred to as "Party" and collectively referred to as "Parties").

RECITALS

A. City proposes to engage Consultant to provide Construction Management Services for **WATER MAIN REPLACEMENTS - CONSTRUCTION MANAGEMENT SERVICES** project as more fully described in **Exhibit "A"**, which is attached to and made a part of this Agreement by this reference.

B. Consultant is ready, willing, and able to provide the services described in **Exhibit "A"** for the compensation and fees set forth and as described in **Exhibit "B"**, which is attached to and made a part of this Agreement by this reference.

C. City desires to contract with Consultant to provide these services under the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual promises contained in this Agreement, City and Consultant agree as follows:

SECTION I--CONSULTANT'S SERVICES

Consultant must perform the services described in **Exhibit "A"** to City's satisfaction within the terms and conditions of this Agreement and within the care and skill that a person who provides similar services in Chandler, Arizona exercises under similar conditions. All work or services furnished by Consultant under this Agreement must be performed in a skilled and workmanlike manner. All fixtures, furnishings, and equipment furnished by Consultant as part of the work or services under this Agreement must be new, or the latest model, and of the most suitable grade and quality for the intended purpose of the work or service.

SECTION II--PERIOD OF SERVICE

Consultant must perform the services described in **Exhibit "A"** for the term of this Agreement. Unless amended in writing by the Parties, the Agreement term expires **480** calendar days after the Notice to Proceed (NTP) Date.

SECTION III--PAYMENT OF COMPENSATION AND FEES

Unless amended in writing by the Parties, Consultant's compensation and fees as more fully described in **Exhibit "B"** for performance of the services approved and accepted by City under this Agreement must not exceed **\$688,415.17** for the full term of the Agreement. Consultant may not increase any compensation or fees under this Agreement without the City's prior written consent. Consultant must submit monthly requests for payment of services approved and accepted during the previous billing period and must include, as applicable, detailed invoices and receipts, a narrative description of the tasks accomplished during the billing period, a list of any deliverables submitted, and any subconsultant's or supplier's actual requests for payment plus similar narrative and listing of their work. Consultant must submit an Application and Certification for Payment Sheet with the monthly request for payment to: CapitalProjects.Payables@chandleraz.gov. Payment for those services negotiated as a lump sum will be made in accordance with the percentage of the work completed during the preceding billing period. Services negotiated as a not-to-exceed fee will be paid in accordance with the work effort expended on the service during the preceding month. All requests for payment must be submitted to City for review and approval. City will make payment for approved and accepted services within 30 calendar days of City's receipt of the request for payment. Consultant bears all responsibility and liability for any and all tax obligations that result from Consultant's performance under this Agreement.

SECTION IV--CITY'S OBLIGATIONS

As part of Consultant's services under this Agreement, City will provide furnished items, services, or obligations as detailed in **Exhibit "D"**.

SECTION V--GENERAL CONDITIONS

5.1 Notices. Unless otherwise provided herein, demands under this Agreement must be in writing and will 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 City:	City of Chandler Public Works & Utilities Department Attn: CIP City Engineer P.O. Box 4008, Mail Stop 407 Chandler, AZ 85244-4008 Phone: 480-782-3343 Email: andrew.goh@chandleraz.gov
With a Copy to:	Project Manager City of Chandler Public Works & Utilities Department P.O. Box 4008, Mail Stop 407 Chandler, AZ 85244-4008
To Consultant:	Entellus, Inc. 3033 N. 44 th St., Ste. 250, Phoenix, AZ 85018 Statutory Agent Name: Tim Crall Statutory Agent Physical Address: 3033 N. 44 th St., Ste. 250, Phoenix, AZ 85018 Statutory Agent Mailing Address Consultant's Authorized Project Representative Name: Michael Speck Title: Construction Manager Physical Address: 3033 N. 44th St., Ste. 250, Phoenix, AZ 85018 Mailing Address: Phone: 602-244-2566 Email: mspeck@entellus.com

5.2 Records/Audit. Records of Consultant's direct personnel payroll, reimbursable expenses pertaining to this Agreement and records of accounts between City and Consultant must be kept on the basis of generally accepted accounting principles and must be made available to City and its auditors for up to three years following City's final acceptance of the services under this Agreement (this requirement is increased to five years if construction of this project is federally funded). City, its authorized representative, or any federal agency, reserves the right to audit Consultant's records to verify the accuracy and appropriateness of all cost and pricing data, including data used to negotiate this Agreement and any amendments. City reserves the right to decrease the total amount of Agreement price or payments made under this Agreement or request reimbursement from Consultant following final contract payment on this Agreement if, upon audit of Consultant's records, the audit discloses Consultant has provided false, misleading, or inaccurate cost and pricing data. Consultant will include a similar provision in all of its contracts with subconsultants who provide services under the Agreement to ensure that City, its authorized representative, or the appropriate federal agency, has access to the subconsultants' records to verify the accuracy of all cost and pricing data. City reserves the right to decrease Contract price or payments made on this Agreement or request reimbursement from Consultant following

final payment on this Agreement if the above provision is not included in subconsultant agreements, and one or more subconsultants refuse to allow City to audit their records to verify the accuracy and appropriateness of all cost and pricing data. If, following an audit of this Agreement, the audit discloses Consultant has provided false, misleading, or inaccurate cost and pricing data, and the cost discrepancies exceed 1% of the total Agreement billings, Consultant will be liable for reimbursement of the reasonable, actual cost of the audit.

5.3 Alteration in Character of Work. Whenever an alteration in the character of work results in a substantial change in this Agreement, thereby materially increasing or decreasing the scope of services, cost of performance, or Project schedule, the work will be performed as directed by City. However, before any modified work is started, a written amendment must be approved and executed by City and Consultant. Such amendment must not be effective until approved by City. Additions to, modifications, or deletions from this Agreement as provided herein may be made, and the compensation to be paid to Consultant may accordingly be adjusted by mutual agreement of the Parties. It is distinctly understood and agreed that no claim for extra services or materials furnished by Consultant will be allowed by City except as provided herein, nor must Consultant do any work or furnish any materials not covered by this Agreement unless such work is first authorized in writing. Any such work or materials furnished by Consultant without prior written authorization will be at Consultant's own risk, cost, and expense, and Consultant hereby agrees that without written authorization Consultant will make no claim for compensation for such work or materials furnished.

5.4 Termination. City and Consultant hereby agree to the full performance of the covenants contained herein, except that City reserves the right, at its discretion and without cause, to terminate or abandon any service provided for in this Agreement, or abandon any portion of the Project for which services have been performed by Consultant. In the event City abandons or suspends the services, or any part of the services as provided in this Agreement, City will notify Consultant in writing and immediately after receiving such notice, Consultant must discontinue advancing the work specified under this Agreement. Upon such termination, abandonment, or suspension, Consultant must deliver to City all drawings, plans, specifications, special provisions, estimates and other work entirely or partially completed, together with all unused materials supplied by City. Consultant must appraise the work Consultant has completed and submit Consultant's appraisal to City for evaluation. City may inspect Consultant's work to appraise the work completed. Consultant will receive compensation in full for services performed to the date of such termination. The fee will be paid in accordance with Section III of this Agreement, and as mutually agreed upon by Consultant and City. If there is no mutual agreement on payment, the final determination will be made in accordance with the "Disputes" provision in this Agreement. However, in no event may the fee exceed the fee set forth in Section III of this Agreement nor as amended in accordance with Section "Alteration in Character of Work." City will make the final payment within 60 days after Consultant has delivered the last of the partially completed items and the Parties agree on the final fee. If City is found to have improperly terminated the Agreement for cause or default, the termination will be converted to a termination for convenience in accordance with the provisions of this Agreement.

5.5 Indemnification. To the extent permitted by law, the Consultant ("Indemnitor") must

indemnify, save and hold harmless City and its officers, officials, agents and employees ("Indemnatee") from any and all claims, actions, liabilities, damages, losses or expenses (including court costs, attorneys' fees and costs of claim processing, investigation and litigation) ("Claims") caused or alleged to be caused, in whole or in part, by the wrongful, negligent or willful acts, or errors or omissions of Consultant or any of its owners, officers, directors, agents, employees, or subconsultants in connection with this Agreement. This indemnity includes any claim or amount arising out of or recovered under workers' compensation law or on account of the failure of Consultant to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. Consultant must indemnify Indemnatee from and against any and all Claims, except those arising solely from Indemnatee's own negligent or willful acts or omissions. Consultant is responsible for primary loss investigation, defense and judgment costs where this indemnification applies. In consideration of the award of this Agreement, Consultant agrees to waive all rights of subrogation against Indemnatee for losses arising from or related to this Agreement. The obligations of Consultant under this provision survive the termination or expiration of this Agreement.

5.6 Insurance Requirements. Consultant must procure insurance under the terms and conditions and for the amounts of coverage set forth in **Exhibit "C"** against claims that may arise from or relate to performance of the work under this Agreement by Consultant and its agents, representatives, employees, and subconsultants. Consultant and any subconsultant must maintain this insurance until all of their obligations have been discharged, including any warranty periods under this Agreement. These insurance requirements are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. City in no way warrants that the minimum limits stated in **Exhibit "C"** are sufficient to protect Consultant from liabilities that might arise out of the performance of the work under this Agreement by Consultant, Consultant's agents, representatives, employees, or subconsultants. Consultant is free to purchase such additional insurance as may be determined necessary.

5.7 Cooperation and Further Documentation. Consultant agrees to provide City such other duly executed documents as may be reasonably requested by City to implement the intent of this Agreement.

5.8 Successors and Assigns. City and Consultant each bind itself, its partners, successors, assigns, and legal representatives to the other party to this Agreement and to the partners, successors, assigns, and legal representatives of such other party in respect to all covenants of this Agreement. Neither City nor Consultant may assign, sublet, or transfer its interest in this Agreement without the written consent of the other party. In no event may any contractual relation be created between any third party and City.

5.9 Disputes. In any dispute arising out of an interpretation of this Agreement or the duties required not disposed of by agreement between Consultant and City, the final determination at the administrative level will be made by City Engineer.

5.10 Completeness and Accuracy of Consultant's Work. Consultant must be responsible for the completeness and accuracy of Consultant's services, data, and other work prepared or

compiled under Consultant's obligation under this Agreement and must correct, at Consultant's expense, all willful or negligent errors, omissions, or acts that may be discovered. Correction of errors disclosed and determined to exist during any construction of the project on architectural or engineering drawings and specifications must be accomplished by Consultant. The cost of the design necessary to correct those errors attributable to Consultant and any damage incurred by City as a result of additional construction costs caused by such engineering or architectural errors will be chargeable to Consultant and will not be considered a cost of the Work. The fact that City has accepted or approved Consultant's work will in no way relieve Consultant of any of Consultant's responsibilities.

5.11 Reporting. Written monthly reports, along with updated work schedules, will be made by Consultant in the format prescribed by City. These reports will be delivered to City per schedule. When requested by City, Consultant will attend Council meetings and provide finished documents including correspondence for Council action, supporting charts, graphs, drawings and colored slides of same.

5.12 Withholding Payment. City reserves the right to withhold funds from Consultant's payments up to the amount equal to the claims City may have against Consultant until such time that a settlement on those claims has been reached.

5.13 City's Right of Cancellation. The Parties acknowledge that this Agreement is subject to cancellation by City under the provisions of Section 38-511, Arizona Revised Statutes (A.R.S.).

5.14 Independent Consultant. For this Agreement Consultant constitutes an independent contractor. Any provisions in this Agreement that may appear to give City the right to direct Consultant as to the details of accomplishing the work or to exercise a measure of control over the work means that Consultant must follow the wishes of City as to the results of the work only. These results must comply with all applicable laws and ordinances.

5.15 Project Staffing. Prior to the start of any work under this Agreement, Consultant must submit to City detailed resumes of key personnel that will be involved in performing services prescribed in the Agreement. City hereby acknowledges its acceptance of such personnel to perform services under this Agreement. At any time hereafter that Consultant desires to change key personnel while performing under the Agreement, Consultant must submit the qualifications of the new personnel to City for prior approval. Key personnel include, but are not limited to, principals-in-charge, project manager, and project Consultant. Consultant will maintain an adequate and competent staff of qualified persons, as may be determined by City, throughout the performance of this Agreement to ensure acceptable and timely completion of the Scope of Services. If City objects, with reasonable cause, to any of Consultant's staff, Consultant must take prompt corrective action acceptable to City and, if required, remove such personnel from the Project and replace with new personnel agreed to by City.

5.16 Consultants or Subconsultants. Prior to beginning the work, Consultant must furnish City for approval the names of consultants or subconsultants to be used under this Agreement. Any subsequent changes are subject to City's written prior approval.

5.17 Force Majeure. If either party is delayed or prevented from the performance of any act required under this Agreement by reason of acts of God or other cause beyond the control and without fault of the Party (financial inability excepted), performance of that act may be excused, but only for the period of the delay, if the Party provides written notice to the other Party within ten days of such act. The time for performance of the act may be extended for a period equivalent to the period of delay from the date written notice is received by the other Party.

5.18 Compliance with Federal Laws. Consultant understands and acknowledges the applicability of the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989 to it. Consultant agrees to comply with these laws in performing this Agreement and to permit City to verify such compliance.

5.19 No Israel Boycott. By entering into this Agreement, Consultant certifies that Consultant is not currently engaged in, and agrees for the duration of the Agreement, not to engage in a boycott of Israel as defined by state statute.

5.20 Legal Worker Requirements. A.R.S. § 41-4401 prohibits City from awarding a contract to any consultant who fails, or whose subconsultants fail, to comply with A.R.S. § 23-214(A). Therefore, Consultant agrees Consultant and each subconsultant it uses warrants their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with § 23-214, subsection A. A breach of this warranty will be deemed a material breach of the Agreement and may be subject to penalties up to and including termination of the Agreement. City retains the legal right to inspect the papers of any Consultant's or subconsultant's employee who provides services under this Agreement to ensure that Consultant and subconsultants comply with the warranty under this provision.

5.21 Lawful Presence Requirement. A.R.S. §§ 1-501 and 1-502 prohibit City from awarding a contract to any natural person who cannot establish that such person is lawfully present in the United States. To establish lawful presence, a person must produce qualifying identification and sign a City-provided affidavit affirming that the identification provided is genuine. This requirement will be imposed at the time of contract award. This requirement does not apply to business organizations such as corporations, partnerships, or limited liability companies.

5.22 Covenant Against Contingent Fees. Consultant warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, and that no member of the Chandler City Council, or any City employee has any interest, financially, or otherwise, in Consultant's firm. For breach or violation of this warrant, City may annul this Agreement without liability or, at its discretion, to deduct from the Agreement price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

5.23 Non-Waiver Provision. The failure of either Party to enforce any of the provisions of this Agreement or to require performance of the other Party of any of the provisions hereof must not be construed to be a waiver of such provisions, nor must it affect the validity of this Agreement or any part thereof, or the right of either Party to thereafter enforce each and

every provision.

5.24 Disclosure of Information Adverse to City's Interests. To evaluate and avoid potential conflicts of interest, Consultant must provide written notice to City, as set forth in this Section, of any work or services performed by Consultant for third parties that may involve or be associated with any real property or personal property owned or leased by City. Such notice must be given 7 business days prior to commencement of the services by Consultant for a third party, or 7 business days prior to an adverse action as defined below. Written notice and disclosure must be sent in accordance with Section 6.7 above. An adverse action under this Agreement includes, but is not limited to: (a) using data as defined in the Agreement acquired in connection with this Agreement to assist a third party in pursuing administrative or judicial action against City; or (b) testifying or providing evidence on behalf of any person in connection with an administrative or judicial action against City; or (c) using data to produce income for Consultant or its employees independently of performing the services under this Agreement, without the prior written consent of City. Consultant represents that except for those persons, entities, and projects identified to City, the services performed by Consultant under this Agreement are not expected to create an interest with any person, entity, or third party project that is or may be adverse to City's interests. Consultant's failure to provide a written notice and disclosure of the information as set forth in this Section constitute a material breach of this Agreement.

5.25 Data Confidentiality and Data Security. As used in the Agreement, "data" means all information, whether written or verbal, including plans, photographs, studies, investigations, audits, analyses, samples, reports, calculations, internal memos, meeting minutes, data field notes, work product, proposals, correspondence and any other similar documents or information prepared by, obtained by, or transmitted to Consultant or its subconsultants in the performance of this Agreement. The Parties agree that all data, regardless of form, including originals, images, and reproductions, prepared by, obtained by, or transmitted to Consultant or its subconsultants in connection with Consultant's or its subconsultant's performance of this Agreement is confidential and proprietary information belonging to City. Except as specifically provided in this Agreement, Consultant or its subconsultants must not divulge data to any third party without City's prior written consent. Consultant or its subconsultants must not use the data for any purposes except to perform the services required under this Agreement. These prohibitions do not apply to the following data provided to Consultant or its subconsultants have first given the required notice to City: (a) data which was known to Consultant or its subconsultants prior to its performance under this Agreement or its subconsultants by a third party, who to the best of Consultant's or its subconsultants' knowledge and belief, had the legal right to make such disclosure and Consultant or its subconsultants are not otherwise required to hold such data in confidence; or (c) data which is required to be disclosed by virtue of law, regulation, or court order, to which Consultant or its subconsultants are subject. In the event Consultant or its subconsultants are required or requested to disclose data to a third party, or any other information to which Consultant or its subconsultants became privy as a result of any other contract with City, Consultant must first notify City as set forth in this Section of the request or demand for the data. Consultant or its subconsultants must give City sufficient facts so that City can be given an opportunity to first give its consent or take such action that City may deem appropriate to protect such data or other information from disclosure. All data must

continue to be subject to the confidentiality agreements of this Agreement. Consultant or its subconsultants assume all liability to maintain the confidentiality of the data in its possession and agrees to compensate City if any of the provisions of this Section are violated by Consultant, its employees, agents or subconsultants. Solely for the purposes of seeking injunctive relief, it is agreed that a breach of this Section must be deemed to cause irreparable harm that justifies injunctive relief in court. Consultant agrees that the requirements of this Section must be incorporated into all subagreements entered into by Consultant. A violation of this Section may result in immediate termination of this Agreement without notice.

5.26 Personal Identifying Information-Data Security. Personal identifying information, financial account information, or restricted City information, whether electronic format or hard copy, must be secured and protected at all times by Consultant or its subconsultants. At a minimum, Consultant or its subconsultants must encrypt or password-protect electronic files. This includes data saved to laptop computers, computerized devices, or removable storage devices. When personal identifying information, financial account information, or restricted City information, regardless of its format, is no longer necessary, the information must be redacted or destroyed through appropriate and secure methods that ensure the information cannot be viewed, accessed, or reconstructed. In the event that data collected or obtained by Consultant or its subconsultants in connection with this Agreement is believed to have been compromised, Consultant or its subconsultants must immediately notify City contact. Consultant agrees to reimburse City for any costs incurred by City to investigate potential breaches of this data and, where applicable, the cost of notifying individuals who may be impacted by the breach. Consultant agrees that the requirements of this Section must be incorporated into all subcontracts entered into by Consultant. It is further agreed that a violation of this Section must be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may result in immediate termination of this Agreement without notice. The obligations of Consultant or its subconsultants under this Section must survive the termination of this Agreement.

5.27 Jurisdiction and Venue. This Agreement is made under, and must be construed in accordance with and governed by the laws of the State of Arizona without regard to the conflicts or choice of law provisions thereof. Any action to enforce any provision of this Agreement or to obtain any remedy with respect hereto must be brought in the courts located in Maricopa County, Arizona, and for this purpose, each Party hereby expressly and irrevocably consents to the jurisdiction and venue of such court.

5.28 Survival. All warranties, representations, and indemnifications by Consultant must survive the completion or termination of this Agreement.

5.29 Modification. Except as expressly provided herein to the contrary, no supplement, modification, or amendment of any term of this Agreement will be deemed binding or effective unless in writing and signed by the Parties.

5.30 Severability. If any provision of this Agreement or the application to any person or circumstance may be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application will not be affected and will be enforceable to the fullest extent permitted by law.

5.31 Integration. This Agreement contains the full agreement of the Parties. Any prior or contemporaneous written or oral agreement between the Parties regarding the subject matter is merged and superseded.

5.32 Time is of the Essence. Time of each of the terms, covenants, and conditions of this Agreement is hereby expressly made of the essence.

5.33 Date of Performance. If the date of performance of any obligation or the last day of any time period provided for should fall on a Saturday, Sunday, or holiday for City, the obligation will be due and owing, and the time period will expire, on the first day after which is not a Saturday, Sunday or legal City holiday. Except as may otherwise be set forth in this Agreement, any performance provided for herein will be timely made if completed no later than 5:00 p.m. (Chandler time) on the day of performance.

5.34 Third Party Beneficiary. Nothing under this Agreement will be construed to give any rights or benefits in the Agreement to anyone other than City and Consultant, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of City and Consultant and not for the benefit of any other party.

5.35 Conflict in Language. All work performed must conform to all applicable City of Chandler codes, ordinances, and requirements as outlined in this Agreement. If there is a conflict in interpretation between provisions in this Agreement and those in **Exhibit "A"**, the provisions in this Agreement prevail.

5.36 Document/Information Release. Documents and materials released to Consultant, which are identified by City as sensitive and confidential, are City's property. The document/material must be issued by and returned to City upon completion of the services under this Agreement. Consultant secondary distribution, disclosure, copying, or duplication in any manner is prohibited without City's prior written approval. The document/material must be kept secure at all times. This directive applies to all City documents, whether in photographic, printed, or electronic data format.

5.37 Exhibits. The following exhibits are made a part of this Agreement and are incorporated by reference:

- Exhibit A** - Scope of Services / Schedule
- Exhibit B** - Compensation and Fees
- Exhibit C** - Insurance Requirements
- Exhibit D** - Special Conditions
- Exhibit E** - Federal Requirements (if applicable)

5.38 Special Conditions. As part of the services Consultant provides under this Agreement, Consultant agrees to comply with and fully perform the special terms and conditions set forth in **Exhibit "D"**, which is attached to and made a part of this Agreement.

5.39 Non-Discrimination and Anti-Harassment Laws. Consultant must comply with all

applicable City, state, and federal non-discrimination and anti-harassment laws, rules, and regulations.

5.40 Licenses and Permits. Beginning with the Effective Date and for the full term of this Agreement, Consultant must maintain all applicable City, state, and federal licenses and permits required to fully perform Consultant's services under this Agreement.

5.41 Warranties. Consultant must furnish a one-year warranty on all work and services performed under this Agreement. Consultant must furnish, or cause to be furnished, a two-year warranty on all fixtures, furnishings, and equipment furnished by Consultant, subconsultants or suppliers under this Agreement. Any defects in design, workmanship, or materials that do not comply with this Agreement must be corrected by Consultant (including, but not limited to, all parts and labor) at Consultant's sole cost and expense. All written warranties and redlines for as-built conditions must be delivered to City on or before City's final acceptance of Consultant's services under this Agreement.

5.42 Cooperative Purchasing Agreement (S.A.V.E. - Strategic Alliance for Volume Expenditures). In addition to City of Chandler and with the approval of Consultant, this Agreement may be extended for use by other municipalities, school districts, and government agencies of the State. Any such usage by other entities must be in accordance with the ordinance, charter, or procurement rules and regulations of the respective political entity.

5.43 Budget Approval into Next Fiscal Year. This Agreement will commence on the Effective Date and continue in full force and effect until it is terminated or expires in accordance with the provisions of this Agreement. The Parties recognize that the continuation of this Agreement after the close of the City's fiscal year, which ends on June 30 of each year, is subject to the City Council's approval of a budget that includes an appropriation for this item as an expenditure. The City does not represent that this budget item will be actually adopted. This determination is solely made by the City Council.

SIGNATURE PAGE TO FOLLOW

This Agreement will be in full force and effect only when it has been approved and executed by the duly authorized City officials.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

"CITY"

CITY OF CHANDLER

MAYOR

Recommended By:



Andrew Goh, P.E.
CIP City Engineer

APPROVED AS TO FORM:

City Attorney



ATTEST:

City Clerk

Seal

"CONSULTANT"

Entellus, Inc.



Signature



Date



Print Name



Title



Signer Email Address

EXHIBIT "A"
SCOPE OF SERVICES/SCHEDULE

EXHIBIT "A"

CONSTRUCTION MANAGEMENT SCOPE OF SERVICES

PROJECT TASKS

1. PRE-CONSTRUCTION ASSISTANCE

A. Task 1.1 Preconstruction Assistance

- i. Consultant must attend the pre-construction meeting.
- ii. Consultant must attend the pre-construction public meeting.
- iii. Consultant must attend 1 coordination meeting with the Public Outreach Consultant to review improvements and properties requiring specific outreach efforts.

2. CONSTRUCTION MANAGEMENT

A. Task 2.1 Weekly Construction Meetings

- i. Consultant must conduct weekly construction meetings. Each meeting includes agenda and minutes; Request for Information (RFI); Shop Drawing; Request for Information (RFI); Field Directive (FD); Material Certification; and Allowance Logs. Consultant assumes 65 weekly meetings will be held.

B. Task 2.2 CPM Schedule

- i. Consultant must review and evaluate Contractor's initial CPM schedule and provide recommendations for acceptance.
- ii. Consultant must review Contractor's monthly CPM schedule updates submitted with each payment application, identify CPM tasks behind schedule that may affect critical path items, project substantial and final completion dates and initiate correspondence to City regarding those tasks. Consultant assumes 15 reviews of updated CPM schedule.

C. Task 2.3 Requests for Information (RFI's)

- i. Consultant must review, evaluate, and respond to Contractor Requests for Information (RFI's); and prepare and maintain a submittal log of all RFI's. Consultant assumes a maximum of 20 RFI responses.

D. Task 2.4 Shop Drawing Submittals

- i. Consultant must review, evaluate, and respond to Contractor shop drawing submittals; and prepare and maintain a submittal log of all shop drawing submittals. Consultant assumes a maximum of 30 reviews.

E. Task 2.5 Requests for Proposal (RFP)

- i. Consultant must prepare Requests for Proposal (RFP) documents detailing requested additional work tasks; review and evaluate Contractor RFP responses (cost derivatons) with approval recommendations; and prepare and maintain a submittal log list of all RFP's. Consultant assumes 15 RFPs.

F. Task 2.6 Field Directives (FD's)

- i. Consultant must prepare Field Directive (FD) documents detailing requested additional work tasks; review and evaluate Contractor FD responses with approval recommendations; and prepare and maintain a submittal log list of all FD's. Consultant assumes 20 FD's.

G. Task 2.7 Contractor Payment Applications

- i. Consultant must review and evaluate Contractor monthly payment applications and make recommendation for payment; maintain a weekly record of constructed pay quantities and compile monthly totals; and coordinate payment application with the City quantity report and the inspectors' daily logs. Consultant assumes a maximum of 15 payment applications, with 2 reviews each.

H. Task 2.8 Public Outreach

- i. Consultant must provide public outreach services, whether by Consultant or subconsultant. Tasks will include: create and maintain project website; maintain a 24-hour bilingual project hotline to respond to inquiries, complaints and maintain a call log; public weekly email updates; public interactions with property owners as a liaison between property owners and the City; coordination meetings; project meetings; public meeting coordination; ~~federal funds required partnering process (project team partnering meeting, maintaining status).~~

3. CONSTRUCTION INSPECTION

A. Task 3.1 Inspection Services

- i. Consultant must provide weekly construction inspection to verify materials and installations conform to construction documents; prepare daily inspection reports documenting Contractor construction activities and progress during field inspection visits; and perform intermittent erosion control inspections. Consultant assumes 1 (one) senior inspector eight (8) hours per day, 6 (six) days per week and 1 (one) inspector eight (8) hours per day, 1 day per week, for 15 months.

~~B. Task 3.2 Landscape / Irrigation Inspection Services~~

- ~~i. Consultant must provide Irrigation system layout and installation observations; attend and observe irrigation system pressure tests; and attend a nursery visit to tag and inspect plant material. Consultant assumes site visits.~~

C. Task 3.3 Project Closeout

- i. Consultant must compile non-conformance list prior to Substantial Completion; schedule and conduct Substantial Completion inspection; prepare Substantial Completion punch list generated from Substantial Completion inspection; track items on punch list and note completed items; and complete and distribute Substantial Completion certificates.
- ii. Consultant must schedule and conduct Final Completion inspection; and complete and distribute Final Completion certificates.

4. UTILITY COORDINATION

A. Task 4.1 Utility Coordination

- i. Consultant must complete Acceptance of Construction (AOC) applications and submit to MCESD for reclaimed water booster pump and potable water/sewer improvements. (Record drawings to be prepared by OTHERS).

5. MATERIALS TESTING

A. Task 5.1 Quality Control (QC) Test Program

- i. Consultant must review and verify Contractor's Quality Control material test type and frequencies are consistent with City and MAG; review and evaluate Contractor's QC test schedule and provide recommendations on acceptance;

and review and evaluate all Contractor sampling, test, and inspection results for conformance with construction documents.

B. Task 5.2 Quality Assurance (QA) Test Program

- i. Consultant must prepare and maintain a materials Quality Assurance plan per City and MAG.
- ii. Consultant must coordinate with Contractor's testing representative to obtain required QA tests and sample; complete sampling and compaction testing of subgrade (including lime-stabilized subgrade base), aggregate base and asphalt concrete materials in new asphalt concrete pavement areas; complete sampling and compaction testing of subgrade, aggregate base (where required) and concrete for new curbs, gutters, sidewalks and concrete pavement and structures; and complete sampling and compaction testing of backfill for new irrigation, sewer, water, storm drain pipe, and dry utilities.

6. RECORD DRAWINGS

A. Task 6.1 Record Drawings

- i. Review and monitor Contractor's weekly updates on red-line drawing set. (Record drawings to be prepared by OTHERS)

ASSUMPTION, CLARIFICATIONS, AND EXCLUSIONS

1. Application fees for City reviews and permits will be paid by CITY.
2. The Owner's Allowance will only be utilized with prior written approval from the City representative.
3. The Direct Expense Allowance will be used for normal reimbursable expenses on the project. Items must be billed at cost and backup must be provided with pay applications.

EXHIBIT "B"
COMPENSATION AND FEES

EXHIBIT "B"
CONSTRUCTION MANAGEMENT
SCOPE OF SERVICES
FEE SCHEDULE

Task	Description	Cost
1	PRE-CONSTRUCTION ASSISTANCE	
1.1	Pre-Construction Assistance	\$ 2,971.21
	SUBTOTAL TASK 1:	\$ 2,971.21
2	CONSTRUCTION MANAGEMENT	
2.1	Weekly Construction Meetings	\$ 30,479.87
2.2	CPM Schedule	\$ 5,606.60
2.3	Requests for Information (RFI)	\$ 8,245.00
2.4	Shop Drawing Submittals	\$ 7,420.50
2.5	Requests for Proposal (RFP)	\$ 6,596.00
2.6	Field Directive (FD)	\$ 6,596.00
2.7	Contractor Payment Applications	\$ 9,579.30
2.8	Public Outreach	\$ 15,995.30
	SUBTOTAL TASK 2:	\$ 90,518.57
3	CONSTRUCTION INSPECTION	
3.1	Inspection Services	\$ 462,551.98
3.2	Landscape/Irrigation Inspection Services (IF APPLICABLE)	\$ -
3.3	Project Closeout	\$ 9,714.24
	SUBTOTAL TASK 3:	\$ 472,266.22
4	UTILITY COORDINATION	
4.1	Utility Coordination	\$ 1,870.88
	SUBTOTAL TASK 4:	\$ 1,870.88
5	MATERIALS TESTING	
5.1	QC Test Program	\$ 18,513.95
5.2	QA Test Program	\$ 7,705.39
	SUBTOTAL TASK 5:	\$ 26,219.34
6	RECORD DRAWINGS	

6.1	Record Drawings	\$	10,268.95
		SUBTOTAL TASK 6:	\$ 10,268.95
SUBCONSULTANTS			
MakPro		\$	24,300.00
SAECO		\$	10,000.00
		\$	-
		\$	-
		SUBTOTAL SUBCONSULTANTS:	\$ 34,300.00
ALLOWANCES			
Direct Expense Allowance		\$	50,000.00
		SUBTOTAL ALLOWANCES:	\$ 50,000.00
		PROJECT TOTAL:	\$ 688,415.17

EXHIBIT B
LABOR ESTIMATE
CONSTRUCTION ADMINISTRATION AND INSPECTION SERVICES

PROJECT TITLE: Water Main Replacements 2019 (Westwood Manor, Kingston)

Client's Project #: WA1912.451

Client: City of Chandler

Date: 5/21/2021

Entellus Project #: 615.113

Project Duration (Calendar Days): 450

Staff Classification	Unit	Qty	Rate	Cost
PRIME CONSULTANT				
PRINCIPAL	Hrs	0	\$ 209.87	\$ -
CONSTRUCTION MANAGER	Hrs	851	\$ 164.90	\$ 140,329.90
P.E.	Hrs	0	\$ 134.92	\$ -
SENIOR INSPECTOR	Hrs	3385	\$ 119.93	\$ 405,963.05
INSPECTOR	Hrs	515	\$ 95.94	\$ 49,409.10
ADMIN	Hrs	122	\$ 68.96	\$ 8,413.12
Labor Total	Hrs	4873		
Subtotal				\$ 604,115.17
SUBCONSULTANTS				
MakPro	LS	1	\$ 24,300.00	\$ 24,300.00
SAECO	LS	1	\$ 10,000.00	\$ 10,000.00
				\$ -
Subtotal				\$ 34,300.00
Direct Expense Allowances				
Reimbursables (Printing, Deliveries, Vehicle Usage)	LS	1	\$ 50,000.00	\$ 50,000.00
				\$ -
				\$ -
				\$ -
				\$ -
Subtotal				\$ 50,000.00
Total Proposal for Construction Administration and Inspection Services			\$	688,415.17



3033 N. 44th Street, Suite 250, Phoenix, AZ
(602) 244-2566
engineers@entellus.com
www.entellus.com

Water Main Replacements 2019 (Westwood Manor, Kingston

Project Title: and Chieftain Village)

Clients Project #: WA1912.451

Client: City of Chandler

EXHIBIT B
LABOR ESTIMATE
CONSTRUCTION ADMINISTRATION AND INSPECTION SERVICES

Date: May 21, 2021
Entellus Project #: 615.113

SECTION	TASK	WORK ITEM DESCRIPTION	PRINCIPAL	CONSTRUCTION MANAGER	P.E.	SENIOR INSPECTOR	INSPECTOR	ADMIN	Total Hours	Total Amount
1	Pre-Construction Assistance		\$ 209.87	\$ 164.90	\$ 134.92	\$ 119.93	\$ 95.94	\$ 68.96		
1	1.1	Pre-Construction Assistance	0	15.0	0	3.0	0	2.0	20	\$ 2,971.21
	SUBTOTAL			15		3		2	20	\$ 2,971.21
2	Construction Management									
	2.1	Weekly Construction Meetings		97.0		65.0		97.0	259	\$ 30,479.87
	2.2	CPM Schedule		34.0					34	\$ 5,606.60
	2.3	Requests For Information (RFI's)		50.0					50	\$ 8,245.00
	2.4	Shop Drawing Submittals		45.0					45	\$ 7,420.50
	2.5	Requests for Proposal (RFP)		40.0					40	\$ 6,596.00
	2.6	Field Directive (FD)		40.0					40	\$ 6,596.00
	2.7	Contractor Payment Applications		30.0		30.0		15.0	75	\$ 9,579.30
	2.8	Public Outreach		97.0					97	\$ 15,995.30
2	SUBTOTAL		0	433.0	0.0	95.0	0.0	112.0	640	\$ 90,518.57
3	Construction Inspection									
	3.1	Inspection Services		261.0		3086.0	515.0		3862	\$ 462,551.98
	3.2	Landscape/Irrigation Inspection Services (If Applicable)		0.0					0	\$ -
	3.3	Project Close-Out		24.0		48.0			72	\$ 9,714.24
3	SUBTOTAL		0	285.0	0.0	3134.0	515.0	0.0	3934	\$ 472,266.22
4	Utility Coordination									
	4.1	Utility Coordination		8.00				8.00	16	\$ 1,870.88
4	SUBTOTAL		0	8.0	0.0	0.0	0.0	8.0	16	\$ 1,870.88
5	Materials Testing									
	5.1	QC Test Program		65.0		65.0			130	\$ 18,513.95
	5.2	QA Test Program		30.0		23.0			53	\$ 7,705.39
5	SUBTOTAL		0	95.0	0.0	88.0	0.0	0.0	183	\$ 26,219.34
6	Record Drawings									
	6.1	Record Drawings		15.0		65.0			80	\$ 10,268.95
6	SUBTOTAL		0	15	0	65	0	0	80	\$ 10,268.95
TOTAL ESTIMATED HOURS										
TOTAL ESTIMATED LABOR COSTS			\$ 0	\$ 851	\$ 0	\$ 3385	\$ 515	\$ 122	4873	\$ 604,115.17

May 18, 2021

Entellus, Inc.
3033 North 44th Street, Suite 250
Phoenix, Arizona 85018

Attention: Michael Speck
Construction Manager

Subject: **Proposal For Construction Engineering Services Rev. 0**
City of Chandler Watermain Replacements 2019
Westwood Manor, Kingston and Chieftain Village (WA1912.451)
Chandler, Arizona
SAECO Proposal Number PC44.21.042



Phone: 480-659-4101
Fax: 480-659-5484

Smith & Annala Engineering Co. (SAECO) is pleased to provide this proposal for construction materials testing services for the above referenced project. SAECO has developed this proposal based upon our review of the plans and specifications for this project and our experience on similar projects.

SAECO

SAECO was founded in 2011 by Michael E. Smith, P.E. and Michael S. Annala, R.G. The firm provides geotechnical engineering, construction QA/QC, and environmental services to clients across the Southwestern U.S. The firm is locally owned and operated and is headquartered in Tempe, Arizona. Currently our staff consists of over 40 engineers, geologists, engineering technicians, and special inspectors. We previously built a considerable presence in the industry as a startup during challenging economic conditions because of our commitment to our safety culture and client service. We hope to demonstrate these attributes for your company on this project.

SAECO maintains American Association of State Highway and Transportation Officials (AASHTO) Materials Reference Laboratory (AMRL) and Cement and Concrete Reference Laboratory (CCRL) accreditation. These programs require our quality system meet strict federal criteria and requires us to undergo inspections which assess our personnel and our equipment relative to the criteria established by AASHTO. The programs also require us to participate in a Proficiency Sample Program (PSP) which allows us to conduct testing and provide results that are then compared to other accredited laboratories across the United States.



The company is also committed to the certification and continued development of our employees. SAECO Construction Engineering personnel maintain certifications in a wide range of programs including Arizona Training and Technical Institute (ATTI), American Concrete Institute (ACI), International Code Council (ICC), National Institute of Certified Engineering Technicians (NICET), and the Geosynthetic Institute.

The engineering and management personnel in the Construction Engineering Department of SAECO are currently or have been involved in leadership roles within the American Society of Civil Engineers (ASCE), Arizona Rock Products Association (ARPA), and Maricopa Association of Governments (MAG) Specifications and Technical Committee. Additionally, Mr. Michael Smith of SAECO currently serves as a faculty associate at Arizona State University in the Del E. Webb School of Construction. Our engineering and management personnel are actively involved in determining the future of the construction engineering industry.

The Construction Engineering Department of SAECO has experience on hundreds of projects performing Quality Assurance (QA) and/or Quality Control (QC) materials testing and inspection services. Our staff can provide a wide range of construction engineering services including asphalt and concrete mix designs; laboratory asphalt, soils, concrete, and aggregate evaluations; construction management and safety related services; geosynthetic materials evaluation and inspection; ICC Special Inspection; and, expert witness consulting on various construction, geotechnical, and/or construction materials issues.

Project Information

SAECO understands that the project will consist of watermain replacements at various locations in the City of Chandler. Our services during the project will be determined by Entellus, Inc. We have prepared this proposal to generally outline the types of tests that we would expect on a project of this nature.



Scope of Work and Fee Schedule

Miscellaneous Field Density Testing

SAECO will provide an Engineering Technician to perform sampling (if necessary) and testing during the placement of parking area subgrade, utility trench backfill, and other parking lot aggregate base course in an attempt to evaluate the level of compaction achieved by the contractor. Field testing will include both nuclear density (ARIZ 235) and sandcone density (ARIZ 230).

Soils and aggregate requiring laboratory testing will be sampled and delivered to our AMRL accredited laboratory in Tempe, Arizona. Laboratory testing will include maximum density - optimum moisture (proctor) determinations. Additional laboratory testing will include sieve analysis and plasticity index for aggregate base course materials.

<i>Description</i>	<i>Rate</i>
Engineering Technician, per hour	\$ 66.00
Engineering Technician - OT/Standby, per hour	\$ 99.00
Mileage	\$ 0.65
Proctor (ASTM D698 or ASTM D1557)	\$ 105.00
Sieve Analysis (ASTM C136/C117)	\$ 75.00
Plasticity Index (ASTM D4318)	\$ 65.00

Asphalt Concrete Paving

SAECO will provide an Engineering Technician to perform sampling (if necessary) and testing during the placement of asphalt concrete in an attempt to evaluate the level of compaction achieved by the contractor. Field density testing will include nuclear density (ARIZ 412b). Sampling (if necessary) will be performed in accordance with ARIZ 104 or AASHTO T-168. Laboratory testing will include gyratory bulk density or marshall density depending on the applicable mix design, maximum theoretical specific gravity (RICE density), and asphalt content and gradation.

SAECO will also perform coring of the pavement utilizing the Maricopa Association of Governments (MAG) procedure described in MAG Section 321.14. Core specimens will be properly transported to our laboratory in Tempe, Arizona for completion of in-place density testing in accordance with AASHTO T-269.

<i>Description</i>	<i>Rate</i>
Engineering Technician, per hour	\$ 66.00
Engineering Technician - OT/Standby, per hour	\$ 99.00
Mileage	\$ 0.65
Laboratory Asphalt Density (AASHTO T-245 or T-312)	\$ 150.00
Max. Theoretical Specific Gravity (RICE, AASHTO T-209)	\$ 150.00
Asphalt Content and Gradation (AASHTO T-308)	\$ 150.00
Bulk Density of Asphalt Concrete Core	\$ 15.00

Subtotal, Asphalt Concrete Paving



Structural Concrete

SAECO will provide an Engineering Technician to perform sampling and testing during the placement of concrete. Sampling of concrete will be performed in accordance with ASTM C172. After sampling the temperature of the plastic concrete will be determined in accordance with ASTM C1064 and the slump will be determined in accordance with ASTM C143. If required by the project specifications, or client request, air content and/or yield will be determined in accordance with ASTM C138, ASTM C173, or ASTM C231.

Our Engineering Technician will fabricate a set of concrete compressive strength specimens in accordance with ASTM C31. Unless otherwise directed, our Engineering Technician will fabricate a set of 4 test specimens. One specimen will be tested at 7-days, 2 specimens will be tested at 28-days, and the fourth specimen will be utilized as a hold cylinder in the event the concrete does not make strength at 28-days or additional evaluation is necessary. SAECO will transport the specimens to our central laboratory for compressive strength testing. The specimens will be cured in accordance with ASTM C31 during both the initial and final curing. Laboratory compressive strength testing will be performed in our CCRL accredited laboratory in Tempe, Arizona. ASTM C617 (capping) or ASTM C1231 (unbonded caps) procedure will be followed.

Based upon our review of the project requirements, we have estimated the number of trips below based upon a sampling frequency of 1 set of compressive strength specimens for each concrete placement which exceeds 5 cubic yards. An additional set of compressive strength specimens will be fabricated for each additional 50 cubic yards of structural concrete placed.

<i>Description</i>	<i>Rate</i>
Engineering Technician, per hour	\$ 66.00
Engineering Technician - OT/Standby, per hour	\$ 99.00
Mileage (10 trips)	\$ 0.65
Comp. Strength of Concrete Cylinders (Set of 4, ASTM C39)	\$ 60.00

Additional Items

<i>Description</i>	<i>Rate</i>
Report Preparation & Dispatch, per hour	\$ 55.00
Project Manager, per hour	\$ 115.00
Professional Engineer, P.E., per hour	\$ 145.00
Contingency	\$ -

We understand a budget of \$10,000 will be established for this project. Our services will be invoiced in accordance with the rates shown in this proposal.

ADDITIONAL PROVISIONS

- 1) Hourly rates shown are based upon a typical 5 day per week, 8 hour per day schedule. The overtime rate applies for work more than 8 hours per day, weekends, and holidays.
- 2) Services are billed portal to portal from our office in Tempe, Arizona.



3) Services will be performed with appropriate notification. Schedule requests should be made by emailing our dispatch team at dispatch@saecosafe.com before 2 pm of the day prior to needing services.

Closing

We are available to start work immediately. SAECO appreciates this opportunity to provide this proposal. We have attached a Consulting Agreement which you can use to authorize us to begin work. Should you find this proposal acceptable please sign and return this proposal which includes the Consulting Agreement. We are available to discuss this proposal with you should have any questions.

Sincerely,



Michael E. Smith, P.E.
Principal

attachment: Consulting Agreement



MakPro Services, LLC
2036 N. Gentry • Mesa, AZ 85213

Office: 480-890-1927
Email: teresa@makprosvc.com

May 20, 2021

Mr. Michael Speck
Entellus Construction Services
3033 N. 44th Street, Suite 250
Phoenix, Arizona 85018

Dear Mike:

MakPro Services, LLC (MakPro) is pleased to provide the following proposal for public outreach services for the City of Chandler's Water Main Replacements Project (615113), which will replace water mains in three Chandler neighborhoods; Westwood Manor, Kingston, and Chieftain Village. Public outreach is an important element in projects that directly impact residents and businesses and provides a link between the project and the community it impacts. The City of Chandler has developed a strong relationship with its residents and businesses, and it's important these relationships are maintained throughout construction projects.

There are a variety of public outreach tools which can be used to establish appropriate communication with the effected stakeholders of a project. The services included in this scope and fee are based on our experience with the City of Chandler and the information you provided from your discussions with the City. This estimate is based on an estimated 450-calendar day (16-month) construction schedule, and currently slated to begin in late Summer 2021. In addition, the public outreach services have been categorized into tasks; however, adjusting one task may require adjustment of other tasks as there are economies of scale and efficiencies embedded in the cost estimate.

Please take a moment to review this scope and cost estimate and if I've missed or misunderstood any of the project characteristics, or if you'd like to customize this proposal in some other way, please let me know.

Task 2.8: Public Outreach: This effort includes various public outreach components:

Website: Makpro shall develop and maintain a project web presence for the project, which will include information about the construction schedule and how to contact the project team. The site will be updated with any new information on a regular basis. (10 hrs)

Hotline: MakPro shall maintain a 24-hour bilingual project hotline to respond to inquiries or complaints, maintain a call log and coordinate with the project team to respond to calls. (\$200/mo hotline; calls requiring research or follow-up are billed at hourly rates) (16 hrs)

E-updates: MakPro will coordinate with community or property managers to provide e-updates on a regular basis, related to upcoming work and schedule. (24 hrs)

Project Progress Meetings: MakPro will prepare for and attend approximately 65 project on-line (video conference) progress meetings during construction, as well as participate in ongoing team communications throughout the project. (80 hrs)

Project Notifications: MakPro will send out notifications via mail in advance of work taking place in to inform residents of upcoming work, how they may be impacted, and how to contact the project team. Reimbursable expenses of postage/printing for notifications are included in the reimbursable allowance (based on 2-up, color one side mailer). Based on our previous experience, the distribution area would be to homes/properties impacted by the replacements or by construction near them, with approximately 500 pieces for mailing for all three neighborhoods. (20 hrs + printing/postage costs)

Included in project notifications are individual notifications (door hangers) for planned water shutdowns during tie-over's and connections. (40 hrs + cost of door hangers)

The total cost for public outreach services as identified above **based on a 16-month construction schedule should not exceed \$24,300.00 which includes an allowance of \$1,220 for reimbursable expenses, such as printing and postage of notifications, and also a \$500 allowance for translation services.** This cost estimate assumes a labor rate of \$110/hour for principal and \$90/hour for associates, as well as a flat fee of \$200/mo for the project hotline. Excluded from this estimate are any unusual out-of-pocket expenses requested by the sponsor. In addition, the estimate incorporates efficiencies from one task/activity to another, so removal of an activity may require an adjustment of hours in other activities.

Activity	Principal Hrs (\$110/hr)	Associate Hrs (\$90/hr)	Total
Public Outreach Services			
Task 2.8: Public Outreach Project Hotline	96	98	\$19,380 \$3,200
Subtotal	32	32	\$22,580
Reimbursable Allowance (printing/postage for notifications)			\$1,220
Translator Allowance			\$500
Grand Total			\$24,300

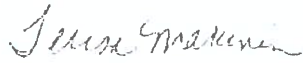
This proposal assumes any displays, exhibits, engineering designs or details, required for public information will be provided by the owner, the design engineer, or the contractor. MakPro is not responsible for documenting existing property conditions, project signage or traffic signage. Changes of substance to this proposal during the project may affect the final cost.

Mr. Michael Speck, Entellus Construction
Public Outreach Services for Chandler Water Main Replacements Project (615113)

May 20, 2021

Thank you for the opportunity to work with Entellus and the City of Chandler on this exciting project. Should you have questions or need additional information related to this proposal, please feel free to contact me at (480) 890-1927.

Sincerely,

A handwritten signature in cursive script, appearing to read "Teresa Makinen".

Teresa Makinen
Principal

EXHIBIT "C"
INSURANCE REQUIREMENTS

1. General.
 - 1.1 At the same time as execution of this Agreement, Consultant must furnish City a certificate of insurance on a standard insurance industry ACORD form. The ACORD form must be issued by an insurance company authorized to transact business in the State of Arizona possessing a current A.M. Best, Inc. rating of A-7, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to City. Provided, however, the A.M. Best rating requirement will not be deemed to apply to required Workers' Compensation coverage.
 - 1.2 Consultant and any of its subconsultants must procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, the insurances set forth below.
 - 1.3 The insurance requirements set forth below are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.
 - 1.4 City in no way warrants that the minimum insurance limits contained in this Agreement are sufficient to protect Consultant from liabilities that might arise out of the performance of the Agreement services under this Agreement by Consultant, its agents, representatives, employees, subconsultants, and Consultant is free to purchase any additional insurance as may be determined necessary.
 - 1.5 Failure to demand evidence of full compliance with the insurance requirements in this Agreement or failure to identify any insurance deficiency will not relieve Consultant from, nor will it be considered a waiver of its obligation to maintain the required insurance at all times during the performance of this Agreement.
 - 1.6 Use of subconsultants: If any work is subcontracted in any way, Consultant must execute a written contract with subconsultant containing the same Indemnification Clause and Insurance Requirements as City requires of Consultant in this Agreement. Consultant is responsible for executing the Agreement with the subconsultant and obtaining Certificates of Insurance and verifying the insurance requirements.
2. Minimum Scope and Limits of Insurance. Consultant must provide coverage with limits of liability not less than those stated below.
 - 2.1 *Professional Liability.* If the Agreement is the subject of any professional services or work performed by Consultant, or if Consultant engages in any professional services or work adjunct or residual to performing the work under this Agreement, Consultant must maintain Professional Liability insurance covering errors and omissions arising out of the work or services performed by Consultant, or anyone employed by Consultant, or anyone whose acts, mistakes, errors and omissions Consultant is legally liable, with a liability limit of \$1,000,000 each claim and \$2,000,000 all claims. In the event the Professional Liability

insurance policy is written on a "claims made" basis, coverage must extend for 3 years past completion and acceptance of the work or services, and Consultant, or its selected Design Professional will submit Certificates of Insurance as evidence the required coverage is in effect. The Design Professional must annually submit Certificates of Insurance citing that the applicable coverage is in force and contains the required provisions for a 3 year period.

2.2 *Commercial General Liability-Occurrence Form.* Consultant must maintain "occurrence" form Commercial General Liability insurance with a limit of not less than \$2,000,000 for each occurrence, \$4,000,000 aggregate. Said insurance must also include coverage for products and completed operations, independent contractors, personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this paragraph, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

2.3 *Automobile Liability-Any Auto or Owned, Hired and Non-Owned Vehicles Vehicle Liability:* Consultant must maintain Business/Automobile Liability insurance with a limit of \$1,000,000 each accident on Consultant owned, hired, and non-owned vehicles assigned to or used in the performance of Consultant's work or services under this Agreement. If any Excess or Umbrella insurance is utilized to fulfill the requirements of this paragraph, the Excess or Umbrella insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

2.4 *Workers Compensation and Employers Liability Insurance:* Consultant must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Consultant employees engaged in the performance of work or services under this Agreement and must also maintain Employers' Liability insurance of not less than \$1,000,000 for each accident and \$1,000,000 disease for each employee.

3. Additional Policy Provisions Required.

3.1 *Self-Insured Retentions or Deductibles.* Any self-insured retentions and deductibles must be declared and approved by City. If not approved, City may require that the insurer reduce or eliminate any deductible or self-insured retentions with respect to City, its officers, officials, agents, employees, and volunteers.

3.1.1. Consultant's insurance must contain broad form contractual liability coverage.

3.1.2. Consultant's insurance coverage must be primary insurance with respect to City, its officers, officials, agents, and employees. Any insurance or self-insurance maintained by City, its officers, officials, agents, and employees will be in excess of the coverage provided by Consultant and must not contribute to it.

3.1.3. Consultant's insurance must apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

- 3.1.4. Coverage provided by Consultant must not be limited to the liability assumed under the indemnification provisions of this Agreement.
 - 3.1.5. The policies must contain a severability of interest clause and waiver of subrogation against City, its officers, officials, agents, and employees, for losses arising from Work performed by Consultant for City.
 - 3.1.6. Consultant, its successors and or assigns, are required to maintain Commercial General Liability insurance as specified in this Agreement for a minimum period of 3 years following completion and acceptance of the Work. Consultant must submit a Certificate of Insurance evidencing Commercial General Liability insurance during this 3 year period containing all the Agreement insurance requirements, including naming City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insured as required.
 - 3.1.7. If a Certificate of Insurance is submitted as verification of coverage, City will reasonably rely upon the Certificate of Insurance as evidence of coverage but this acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this Agreement.
- 3.2. *Insurance Cancellation During Term of Contract/Agreement.*
- 3.2.1. If any of the required policies expire during the life of this Agreement, Consultant must forward renewal or replacement Certificates to City within 10 days after the renewal date containing all the required insurance provisions.
 - 3.2.2. Each insurance policy required by the insurance provisions of this Agreement must provide the required coverage and must not be suspended, voided or canceled except after thirty (30) days prior written notice has been given to City, except when cancellation is for non-payment of premium, then ten (10) days prior notice may be given. Such notice must be sent directly to Chandler Law-Risk Management Department, Post Office Box 4008, Mailstop 628, Chandler, Arizona 85225. If any insurance company refuses to provide the required notice, Consultant or its insurance broker must notify City of any cancellation, suspension, non-renewal of any insurance within seven (7) days of receipt of insurers' notification to that effect.
- 3.3 *City as Additional Insured.* The policies are to contain, or be endorsed to contain, the following provisions:
- 3.3.1. The Commercial General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions: City, its officers, officials, agents, and employees are additional insureds with respect to liability arising out of activities performed by, or on behalf of, Consultant including City's general supervision of Consultant; Products and Completed operations of Consultant; and automobiles owned, leased, hired, or borrowed by Consultant.

- 3.3.2. City, its officers, officials, agents, and employees must be additional insureds to the full limits of liability purchased by Consultant even if those limits of liability are in excess of those required by this Agreement.

EXHIBIT "D"
SPECIAL CONDITIONS

Work within City's Right-of-Way. All work performed within City's Right-of-Way by Consultant and Consultant's subconsultants must comply with City of Chandler requirements.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

06/15/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Phone: (480) 368-1800 Fax: (480) 368-1702

SOUTHWEST PROFESSIONAL INSURANCE CONSULTANTS
7689 E. PARADISE LANE, SUITE 5
SCOTTSDALE AZ 85260

CONTACT NAME: Southwest Professional Insurance Consultants

PHONE (A/C, No, Ext): (480) 368-1800

FAX (A/C, No): (480) 368-1702

E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A : RLI Insurance Company

13056

INSURER B : RLI Insurance Company

13056

INSURER C : RLI Insurance Company

13056

INSURER D : RLI Insurance Company

13056

INSURER E : RLI Insurance Company

13056

INSURER F :

INSURED
ENTELLUS INC.
3033 N. 44th Street
Phoenix, AZ 85018

COVERAGES

CERTIFICATE NUMBER: 13772

REVISION NUMBER:

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC ☐ OTHER:	☒	☒	PSB0001271	11/01/20	11/01/21	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 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
B	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ ALL OWNED AUTOS ☒ HIRED AUTOS ☐ SCHEDULED AUTOS ☒ NON-OWNED AUTOS	☒	☒	PSA0001072	11/01/20	11/01/21	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (per accident) \$
C	☒ UMBRELLA LIAB ☐ EXCESS LIAB ☐ DED ☐ RETENTION \$	☒	☒	PSE0001219	11/01/20	11/01/21	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	☐ Y / N ☒ N / A	☒	PSW0001258	11/01/20	11/01/21	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE-EA EMPLOYEE \$ 1,000,000 E.L. DISEASE-POLICY LIMIT \$ 1,000,000
E	Professional Liability			RDP0041469	11/01/20	11/01/21	Per Claim \$2,000,000 Aggregate \$4,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

SEE SUPPLEMENTAL CERTIFICATE INFORMATION

CERTIFICATE HOLDER

City of Chandler
215 E Buffalo Street
Chandler, AZ 85225
paula.brown@chandleraz.gov

Attention: Paula Brown

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Dan Hardesty
Dan Hardesty

SUPPLEMENT TO CERTIFICATE OF LIABILITY INS # 13772

DATE
JUN 15 2021

DESCRIPTION OF OPERATIONS, LOCATIONS, VEHICLES

Professional Liability - Claims Made - Retroactive Date 12/06/1985

City of Chandler, its officers, officials, agents, and employees are added as additional insured on a primary and non-contributory basis as required by written contract as respects to general liability only for ongoing work per form PPB 304 02 12. Waiver of Subrogation applies as respects general liability as required by written contract per form PPB 304 02 12. Blanket Waiver of Subrogation applies to Workers Compensation per form WC 00 03 13. City of Chandler, its officers, officials, agents, and employees are added as additional insured as required by written contract as respects auto liability only for ongoing work per form PPA 300 03 13.

Project No. WA1912.451 Water Main Replacements 2019 Construction Management Services

Entellus 2020-2021 Endorsement Packet

1.) Commercial Package Policy #PSB0001271

☐ PPB 304 02 12- Blanket Additional Insured Endorsement
(covering any/all additional insured named on the COI)

Primary and Non-Contributory language included.

☐ PPB 101 07 16- Separation of Insured language page 42 of
Policy

2.) Workers Compensation Policy #PSW0001258

☐ WC 00 03 13- Waiver Right to Recover
(also called waiver of subrogation)

3.) Excess Liability Policy #PSE0001219

☐ PPU 304 06 10- Excess Liability Enhancement containing
Additional Insured language and Waiver of Subrogation.

4.) Commercial Auto Policy #PSA0001072

☐ PPA 300 03 13- Business Auto Enhancement
Containing Blanket Additional Insured and Waiver of
Subrogation language.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RLIPack® FOR PROFESSIONALS BLANKET ADDITIONAL INSURED ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM - SECTION II – LIABILITY

1. **C. WHO IS AN INSURED** is amended to include as an additional insured any person or organization that you agree in a contract or agreement requiring insurance to include as an additional insured on this policy, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part by you or those acting on your behalf:
 - a. In the performance of your ongoing operations;
 - b. In connection with premises owned by or rented to you; or
 - c. In connection with "your work" and included within the "product-completed operations hazard".
2. The insurance provided to the additional insured by this endorsement is limited as follows:
 - a. This insurance does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this policy.
 - b. This insurance does not apply to the rendering of or failure to render any "professional services".
 - c. This endorsement does not increase any of the limits of insurance stated in **D. Liability And Medical Expenses Limits of Insurance**.
3. The following is added to **SECTION III H.2. Other Insurance – COMMON POLICY CONDITIONS (BUT APPLICABLE ONLY TO SECTION II – LIABILITY)**

However, if you specifically agree in a contract or agreement that the insurance provided to an

additional insured under this policy must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such additional insured which covers such additional insured as a named insured, and we will not share with that other insurance, provided that:

- a. The "bodily injury" or "property damage" for which coverage is sought occurs after you have entered into that contract or agreement; or
 - b. The "personal and advertising injury" for which coverage is sought arises out of an offense committed after you have entered into that contract or agreement.
4. The following is added to **SECTION III K. 2. Transfer of Rights of Recovery Against Others to Us – COMMON POLICY CONDITIONS (BUT APPLICABLE TO ONLY TO SECTION II – LIABILITY)**

We waive any rights of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage" or "personal and advertising injury" arising out of "your work" performed by you, or on your behalf, under a contract or agreement with that person or organization. We waive these rights only where you have agreed to do so as part of a contract or agreement with such person or organization entered into by you before the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" offense is committed.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

b. All:

- (1) "Bodily injury" and "property damage" except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard";
- (2) Plus medical expenses;
- (3) Plus all "personal and advertising injury" caused by offenses committed;

is twice the Liability and Medical Expenses limit.

Subject to Paragraph a. or b. above, whichever applies, the Damage To Premises Rented To You Limit is the most we will pay for damages because of "property damage" to any one premises, while rented to you, or in the case of fire, while rented to you or temporarily occupied by you with permission of the owner.

The Limits of Insurance of **SECTION II – LIABILITY** apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than twelve (12) months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. Liability And Medical Expenses General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this policy.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this policy:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Separation Of Insureds

Except with respect to the Limits of Insurance of **SECTION II – LIABILITY**, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RLIPack® FOR DESIGN PROFESSIONALS EXCESS LIABILITY ENHANCEMENT

SCHEDULE OF COVERAGES ADDRESSED BY THIS ENDORSEMENT

- A. General Aggregate Limit – Per Project Or Per Location
- B. Additional Insured – Primary/Non-contributory
- C. Waiver Of Transfer Of Rights Of Recovery Against Others To Us

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE FORM

A. General Aggregate Limit – Per Project Or Per Location

Paragraph 2.a. of C. Limits of Liability of SECTION I – INSURING AGREEMENT is deleted and replaced by the following:

- a. The limit of liability stated in the Declarations as general aggregate is the most we will pay during each policy period for all ultimate net loss, except ultimate net loss because of:

- (1) injury and damage included in the products-completed operations hazard or;
- (2) any coverage included in **underlying insurance** to which no underlying aggregate applies.

The general aggregate applies separately to each of your "projects" away from premises owned by or occupied by you or to each of your locations owned by or occupied by you.

"Projects" mean an area away from premises owned by or rented to you at which you are performing operations pursuant to a contract or agreement. For the purposes of determining the applicable aggregate limit of insurance, each "project" at the same "location" shall be considered a single "project".

For the purposes of this provision, "location" means

- (1) premises involving the same or connecting lots;
- (2) premises where connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad; or

- (3) premises where operations are performed in sections, stages or phases as a continuation of the same contract or agreement, even if the premises do not involve connecting lots.

B. Additional Insured – Primary/Non-contributory

Paragraph K. Other Insurance of SECTION IV – CONDITIONS is deleted and replaced by the following:

K. Other Insurance

If other insurance, whether collectible or not, is available to the insured covering a loss also covered by this policy, the insurance afforded by this policy shall be in excess of, and shall not contribute with, such other insurance. However, if the **underlying insurance** provides coverage to an additional insured on a primary basis, or a primary and non-contributory basis, this insurance shall be available to such additional insured on an excess basis over the underlying insurance. We will not share with other insurance which covers such additional insured as a named insured.

C. Waiver Of Transfer Of Rights Of Recovery Against Others To Us

Paragraph L. Subrogation of SECTION IV – CONDITIONS is deleted and replaced by the following:

L. Subrogation

In the event of any payment under this policy, the insured must notify us of any of the insured's rights of recovery against any person or organization. We shall be subrogated to all such rights. The insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The insured shall do nothing after loss to prejudice such rights. However we waive any rights of recovery we may have against any person or organization if the **underlying insurance** also waives such rights.

Any amount recovered through subrogation or otherwise shall be apportioned in the inverse order of payment of the claim or claims involved to the extent of actual payment thereof by all interests. The expenses of all such recoveries and proceedings in connection therewith shall be apportioned in the ratio of respective recoveries. With respect to proceedings conducted solely by us, if there is no recovery, we will bear the expense thereof. If there is a recovery, we shall be reimbursed in full from such recovery for the amount of all expenses incurred by us before apportionment of such recovery as herein provided.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule.

(This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Any person or organization that you have agreed with in a written contract to provide this agreement.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 11-01-2020
Insured
Entellus, Inc.
Insurance Company
RLI Insurance Company

Policy No.
PSW0001258

Endorsement No.
Premium 10430

Countersigned by _____

WC 00 03 13
(Ed. 4-84)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RLIPack® BUSINESS AUTO ENHANCEMENT

SCHEDULE OF COVERAGES ADDRESSED BY THIS ENDORSEMENT

- A. Broad Form Named Insured
- B. Employees As Insureds
- C. Blanket Additional Insured
- D. Blanket Waiver Of Subrogation
- E. Employee Hired Autos
- F. Fellow Employee Coverage
- G. Auto Loan Lease Gap Coverage
- H. Glass Repair – Waiver Of Deductible
- I. Personal Effects Coverage
- J. Hired Auto Physical Damage Coverage
- K. Hired Auto Physical Damage – Loss Of Use
- L. Hired Car – Worldwide Coverage
- M. Temporary Transportation Expenses
- N. Amended Bodily Injury Definition – Mental Anguish
- O. Airbag Coverage
- P. Amended Insured Contract Definition – Railroad Easement
- Q. Coverage Extensions – Audio, Visual And Data Electronic Equipment Not Designed Solely For The Production Of Sound
- R. Notice Of And Knowledge Of Occurrence
- S. Unintentional Errors Or Omissions
- T. Towing Coverage

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

A. Broad Form Named Insured

The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, Paragraph A.1. **Who Is An Insured** Provision:

Any business entity newly acquired or formed by you during the policy period, provided you own fifty percent (50%) or more of the business entity and the business entity is not separately insured for Business Auto Coverage. Coverage is extended up to a maximum of one hundred eighty (180) days following the acquisition or formation of the business entity.

This provision does not apply to any person or organization for which coverage is excluded by endorsement.

B. Employees As Insureds

The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, Paragraph A.1. **Who Is An Insured** Provision:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

C. Blanket Additional Insured

The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, Paragraph A.1. **Who Is An Insured** Provision:

Any person or organization that you are required to include as an additional insured on this coverage form in a contract or agreement that is executed by you before the "bodily injury" or "property damage" occurs is an "insured" for liability coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in **SECTION II – COVERED AUTOS LIABILITY COVERAGE**.

The insurance provided to the additional insured will be on a primary and non-contributory basis to the additional insured's own business auto coverage if you are required to do so in a contract or agreement that is executed by you before the "bodily injury" or "property damage" occurs.

D. Blanket Waiver Of Subrogation

The following is added to the **SECTION IV – BUSINESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer Of Rights Of Recovery Against Others To Us**:

We waive any right of recovery we may have against any person or organization to the extent required of you by a contract executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out

of the operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

E. Employee Hired Autos

1. The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, Paragraph A.1. **Who Is An Insured** Provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. Changes In General Conditions:

Paragraph 5.b. of the **Other Insurance** Condition in the **BUSINESS AUTO CONDITIONS** is deleted and replaced with the following:

b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

(1) Any covered "auto" you lease, hire, rent or borrow; and

(2) Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

F. Fellow Employee Coverage

SECTION II – COVERED AUTOS LIABILITY COVERAGE, Exclusion B.5. does not apply if you have workers compensation insurance in-force covering all of your employees.

G. Auto Loan Lease Gap Coverage

SECTION III – PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance, is amended by the addition of the following:

In the event of a total "loss" to a covered "auto" shown in the Schedule of Declarations, we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

1. The amount paid under the **PHYSICAL DAMAGE COVERAGE** section of the policy; and

2. Any:

a. Overdue lease/loan payments at the time of the "loss";

- b. Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage.
- c. Security deposits not returned by the lessor;
- d. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
- e. Carry-over balances from previous loans or leases.

H. Glass Repair – Waiver Of Deductible

SECTION III – PHYSICAL DAMAGE COVERAGE, D. Deductible is amended by adding the following:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

I. Personal Effects Coverage

The following is added to **SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions:**

c. Personal Effects Coverage

In the event of a total theft loss of your covered "auto" we will pay up to \$400 for "loss" to wearing apparel and other personal effects which are:

- (1) Owned by an "insured"; and
- (2) In or on your covered "auto";

No deductible applies to Personal Effects Coverage.

J. Hired Auto Physical Damage Coverage

The following is added to **SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions:**

d. Hired Auto Physical Damage Coverage

If hired "autos" are covered "autos" for Liability Coverage and this policy also provides Physical Damage Coverage for an owned "auto", then the Physical Damage Coverage is extended to "autos" that you hire, rent or borrow subject to the following:

- (1) The most we will pay for "loss" in any one "accident" to a hired, rented or borrowed "auto" is the lesser of:
 - (a) \$60,000
 - (b) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
 - (c) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

(2) An adjustment for depreciation and physical condition will be made in the event of a total "loss".

(3) If a repair or replacement results in better than like kind or quality, we will not pay for the betterment.

(4) A deductible equal to the highest Physical Damage deductible applicable to any owned auto will apply.

(5) This Coverage Extension will not apply to:

- (a) Any "auto" that is hired, rented or borrowed with a driver; or
- (b) Any "auto" that is hired, rented or borrowed from your "employee".

K. Hired Auto Physical Damage – Loss Of Use

The following is added to **SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions:**

e. We will pay sums which you legally must pay to the lessor of a covered "auto" which you have leased without a driver for thirty (30) days or less for the lessor's loss of use of the covered "auto", provided:

- (1) This insurance provides comprehensive, specified causes of loss or collision covered on the covered "auto";
- (2) The loss of use results from the covered "auto" being damaged in an "accident" while you are leasing it.

We will pay up to a maximum limit of \$1,500 for this covered extension.

L. Hired Car – Worldwide Coverage

The following is added to **SECTION II – COVERED AUTOS LIABILITY COVERAGE, A.2. Coverage Extensions:**

f. Hired Car – Worldwide Coverage

- (1) We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" which occurs outside of the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada resulting from the maintenance, or use of any covered "auto" of the private passenger type you lease, hire, rent or borrow without a driver for thirty (30) days or less.
- (2) With respect to any claim made or "suit" instituted outside the United States of America, the territories and possessions of the United States of America, Puerto Rico, and Canada:

- (a) You shall undertake the investigation, settlement and defense of such claims and "suits" and keep us advised of all proceedings and actions.
- (b) You will not make any settlement without our consent.
- (c) We will reimburse you:
 - (i) For the amount of damages because of liability imposed upon you by law on account of "bodily injury" or "property damage" to which this insurance applies, and
 - (ii) For all reasonable expenses incurred with our consent in connection with the investigation, settlement or defense of such claims or "suits". Reimbursement for expenses will be part of the Limit of Insurance for liability coverage shown in the Business Auto Coverage Declarations, and not in addition to such limits.
- (3) The limit of Insurance for Liability Coverage shown in the Business Auto Coverage Declarations is the most we will reimburse you for the sum of all damages imposed on you, as set forth in paragraph 2.c. above, and all expenses incurred by you arising out of any single "accident" or "loss".
- (4) You must maintain the greater of the following primary auto liability insurance limits:
 - (a) Compulsory admitted insurance with limits required to be in force to satisfy the legal requirements of the jurisdiction where the accident occurs; or
 - (b) Insurance limits required by law and issued by a government entity or by an insurer licensed or permitted by law to do business in the jurisdiction where the "accident" occurs; or
 - (c) Auto liability insurance limits of at least \$300,000 combined single limit or \$100,000 per person/\$300,000 per accident Bodily Injury, \$100,000 Property Damage.

If you fail to comply with the above, this insurance is not invalidated. However, in the event of a "loss", we will pay only to the extent that we would have been liable had you so complied.
- (5) The insurance provided by this coverage extension is excess over any other collectible insurance available to you whether on a primary, excess contingent or any other basis.

M. Temporary Transportation Expenses

SECTION III – PHYSICAL DAMAGE COVERAGE, A.4. Coverage Extensions, subparagraph a. **Transportation Expenses** is deleted and replaced by the following:

a. Transportation Expenses

- (1) We will pay up to a maximum of \$1,500 for temporary transportation expense incurred by you because of Physical Damage to a covered "auto".
- (2) We will pay only for those covered "autos" for which you carry Comprehensive, Collision or Specified Case of Loss Coverage.
- (3) We will pay only for those expenses incurred by you during the period of time that begins twenty-four (24) hours after the covered "loss" and ends at the time when the covered "auto" can be reasonably repaired or replaced.
- (4) This coverage does not apply while there are spare or reserve "autos" available to you for your operations.

N. Amended Bodily Injury Definition – Mental Anguish

The following is added to **SECTION V – DEFINITIONS, Definition C.:**

"Bodily injury" also includes mental anguish, but only when the mental anguish arises from other bodily injury, sickness or disease.

O. Airbag Coverage

The following is added to **SECTION III – PHYSICAL DAMAGE COVERAGE B. Exclusions 3.a.:**

However, this exclusion will not apply to accidental discharge of an airbag due to mechanical or electrical breakdown.

P. Amended Insured Contract Definition – Railroad Easement

SECTION V – DEFINITIONS paragraph H. "Insured contact" is modified as follows:

- 1. Paragraph H.3. is replaced by the following:
 - 3. Any easement or license agreement.
- 2. Paragraph H.6.a. is deleted.

Q. Coverage Extensions – Audio, Visual And Data Electronic Equipment Not Designed Solely For The Production Of Sound

SECTION III – PHYSICAL DAMAGE COVERAGE B. Exclusions, exception paragraph a. to exclusion 4.c. and 4.d. is deleted and replaced with the following:

- a. Equipment and accessories used with such equipment, except for tapes, records, discs or other electronic media device, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or is removable from the housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "autos" electrical system, in or upon the covered "autos"; or

R. Notice Of And Knowledge Of Occurrence

SECTION IV – BUSINESS AUTO CONDITIONS, A.2. Duties In The Event Of Accident, Claim Suit Or Loss, subparagraph a. is deleted and replaced with the following:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss" including:
 - (1) How, when and where the "accident" or "loss" occurred;
 - (2) The "insured's" name and address; and
 - (3) To the extent possible, the names and addresses of any injured person and witnesses.

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- (1) You, if you are an individual;

- (2) A partner if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

S. Unintentional Errors Or Omissions

SECTION IV – BUSINESS AUTO CONDITIONS, B. General Conditions; 2. Concealment Misrepresentation Or Fraud is amended by adding the following:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or nonrenewal.

T. Towing Coverage

SECTION III – PHYSICAL DAMAGE COVERAGE, A.2. Towing, is deleted and replaced by the following:

- 2. We will pay up to \$750 for towing and labor costs incurred each time a covered "auto" is disabled due to a covered cause of loss. However:
 - a. All labor must be performed at the place of disablement; and
 - b. If the covered auto is a private passenger type no deductible applies; and
 - c. If the covered auto is not of the private passenger type our obligation to pay will be reduced by a \$250 deductible per disablement.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.