



City Clerk Document No. \_\_\_\_\_

City Council Meeting Date: \_\_\_\_\_

**CITY OF CHANDLER SERVICES AGREEMENT  
SEWER LINE CLEANING AND VIDEO INSPECTION SERVICES  
CITY OF CHANDLER AGREEMENT NO. PW6-962-5021**

THIS AGREEMENT (Agreement) is made and entered into by and between the City of Chandler, an Arizona municipal corporation (City), and Riley Industrial Services, Inc., a New Mexico Corporation (Contractor), (City and Contractor may individually be referred to as Party and collectively referred to as Parties), made \_\_\_\_\_, 2026 (Effective Date).

**RECITALS**

A. On or about January 15, 2026, the City issued a solicitation for sewer line cleaning and video inspection services . Under the solicitation, the City proposes to enter into six related agreements to sewer line cleaning and video inspection services in various amounts for the prices set forth in each sewer line cleaning and video inspection services agreement. Although the amount and type of sewer line cleaning and video inspection services purchased by the City may vary, the total sum for all six sewer line cleaning and video inspection services agreements must not exceed \$1,060,000.

B. City proposes to purchase sewer line cleaning and video inspection services from Contractor as more fully described in Exhibit A, which is attached to and made a part of this Agreement by this reference.

C. Contractor is ready, willing, and able to provide the goods or 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.

D. City desires to contract with the Contractor to provide these goods or 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 Contractor agree as follows:

**SECTION I: DEFINITIONS**

For purposes of this Agreement, the following definitions apply:

**Agreement** means the legal agreement executed between the City and the Contractor

**City** means the City of Chandler, Arizona

**Contractor** means the individual, partnership, or corporation named in the Agreement

**Days** means calendar days

**May, Should** means something that is not mandatory but permissible

**Shall, Will, Must** means a mandatory requirement

## **SECTION II: CONTRACTOR'S SERVICES**

Contractor must perform in accordance with Exhibit A to the City's satisfaction within the terms and conditions of this Agreement and within the care and skill that a person who provides similar goods services in Chandler, Arizona exercises under similar conditions. All goods or services furnished by Contractor under this Agreement must be performed in a skilled and workmanlike manner. Unless authorized by the City in writing, all fixtures, furnishings, and equipment furnished by Contractor as part of the goods 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 goods or services.

## **SECTION III: PERIOD OF SERVICE**

Contractor must perform the services described in Exhibit A for the term of this Agreement.

The term of the Agreement is one year, and begins on April 27, 2026, and ends on April 26, 2027 unless sooner terminated in accordance with the provisions of this Agreement. The City and the Contractor may mutually agree to extend the Agreement for up to four additional terms of one year each, or portions thereof. The City reserves the right, at its sole discretion, to extend the Agreement for up to 60 days beyond the expiration of any extension term.

## **SECTION IV: PAYMENT OF COMPENSATION AND FEES**

4.1 Unless amended in writing by the Parties, Contractor's compensation and fees must not exceed the unit prices and amounts as more fully described in Exhibit B for performance approved and accepted by the City under this Agreement. Contractor must submit requests for payment for goods or 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 subcontractor's or supplier's actual requests for payment plus similar narrative and listing of their work. Payment for those goods or services negotiated as a lump sum will be made in accordance with the percentage of the goods furnished or services completed during the preceding billing period. Goods or services negotiated as a not-to-exceed fee will be paid in accordance with the goods furnished or services completed during the preceding month. All requests for payment must be submitted to the City for review and approval. The City will make payment for approved and accepted goods or services within 30 days of the City's receipt of the request for payment.

4.2 Applicable Taxes. The Contractor will pay all applicable taxes. The City is subject to all applicable state and local transaction privilege taxes. To the extent any state and local transaction privilege taxes apply to sales made under the terms of this Agreement, it is the responsibility of the Contractor to collect and remit all applicable taxes to the proper taxing jurisdiction of authority.

4.3 Tax Indemnification. The Contractor and all subcontractors will pay all Federal, state, and local taxes applicable to its operation and any persons employed by the Contractor. The Contractor will and require all subcontractors to hold the City harmless from any responsibility for taxes, damages, and interest, if applicable, contributions required under Federal, state, and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security, and Worker's Compensation.

4.4 All prices offered herein shall be firm against any increase for the initial term of the Agreement. Prior to commencement of subsequent renewal terms, the City may approve a fully documented request for a price adjustment. The City shall determine whether any requested price increases for extension terms is acceptable to the City. If the City approves the price increase, the price shall remain firm for the renewal term for which it was requested. If a price increase is agreed upon by the Parties a written Agreement Amendment shall be approved and executed by the Parties.

## **SECTION V: GENERAL CONDITIONS**

5.1 Records/Audit. Records of the Contractor's direct personnel payroll, reimbursable expenses pertaining to this Agreement and records of accounts between the City and Contractor must be kept on the basis of generally accepted accounting principles and must be made available to the City and its auditors for up to three years following the City's final acceptance of the goods or services under this Agreement. The City, its authorized representative, or any federal agency, reserves the right to audit Contractor's records to verify the accuracy and appropriateness of all cost and pricing data, including data used to negotiate this Agreement and any amendments. The City reserves the right to decrease the total amount of Agreement price or payments made under this Agreement or request reimbursement from the Contractor following final contract payment on this Agreement if, upon audit of the Contractor's records, the audit discloses the Contractor has provided false, misleading, or inaccurate cost and pricing data. The Contractor will include a similar provision in all of its contracts with subcontractors providing goods or services under the Agreement Documents to ensure that the City, its authorized representative, or the appropriate federal agency, has access to the subcontractors' records to verify the accuracy of all cost and pricing data. The City reserves the right to decrease Contract price or payments made on this Agreement or request reimbursement from the Contractor following final payment on this Agreement if the above provision is not included in subcontractor agreements, and one or more subcontractors refuse to allow the 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 the Contractor has provided false, misleading, or inaccurate cost and pricing data, and the cost discrepancies exceed 1% of the total Agreement billings, the Contractor will be liable for reimbursement of the reasonable, actual cost of the audit.

5.2 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 work, cost of goods, cost of performance, or Project schedule, the goods or services will be performed as directed by the City. However, before any modified work is started, a written amendment must be approved and executed by the City and the Contractor. Such amendment must not be effective until approved by the City. Additions to, modifications, or deletions from this Agreement as provided herein may be made, and

the compensation to be paid to the Contractor may accordingly be adjusted by mutual agreement of the Parties. It is distinctly understood and agreed that no claim for extra work done or materials furnished by the Contractor will be allowed by the City except as provided herein, nor must the Contractor 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 the Contractor without prior written authorization will be at Contractor's own risk, cost, and expense, and Contractor hereby agrees that without written authorization Contractor will make no claim for compensation for such work or materials furnished.

5.3 Termination for Convenience. The City and the Contractor hereby agree to the full performance of the covenants contained herein, except that the City reserves the right, at its discretion and without cause, to terminate or abandon any purchase or service provided for in this Agreement, or abandon any portion of the Project for which the Contractor has performed. In the event the City abandons or suspends the purchase or services, or any part of the purchase or services as provided in this Agreement, the City will notify the Contractor in writing and immediately after receiving such notice, the Contractor must discontinue advancing the work specified under this Agreement. Upon such termination, abandonment, or suspension, the Contractor must deliver to the City all drawings, plans, specifications, special provisions, estimates and other work entirely or partially completed, together with all unused materials supplied by the City. The Contractor must appraise the goods or services Contractor has completed and submit Contractor's appraisal to the City for evaluation. The City may inspect the Contractor's goods or services to appraise the status completed. The Contractor will receive compensation in full for goods provided or services performed to the date of such termination. The fee will be paid in accordance with Section IV of this Agreement, and as mutually agreed upon by the Contractor and the 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 payment exceed the payment set forth in this Agreement nor as amended in accordance with Alteration in Character of Work. The City will make the final payment within 60 days after the Contractor has delivered the last of the partially completed items and the Parties agree on the final payment. If the 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.

5.4 Termination for Cause. The City may terminate this Agreement for Cause upon the occurrence of any one or more of the following events: in the event that (a) the Contractor fails to perform pursuant to the terms of this Agreement, (b) the Contractor is adjudged a bankrupt or insolvent, (c) the Contractor makes a general assignment for the benefit of creditors, (d) a trustee or receiver is appointed for Contractor or for any of Contractor's property (e) the Contractor files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws, (f) the Contractor disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction, or (g) the Contractor fails to cure default within the time requested. Where Agreement has been so terminated by City, the termination will not affect any rights of City against Contractor then existing or which may thereafter accrue.

5.5 Indemnification. The Contractor (Indemnitor) must indemnify, defend, save and hold harmless the City and its officers, officials, agents and employees (Indemnitee) 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 the Contractor or any of its owners, officers, directors, agents, employees, or subcontractors 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 the Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. The Contractor must indemnify Indemnitee from and against any and all Claims, except those arising solely from Indemnitee's own negligent or willful acts or omissions. The Contractor is responsible for primary loss investigation, defense and judgment costs where this indemnification applies. In consideration of the award of this Agreement, the Contractor agrees to waive all rights of subrogation against Indemnitee for losses arising from or related to this Agreement. The obligations of the Contractor under this provision survive the termination or expiration of this Agreement.

5.6 Insurance Requirements. Contractor 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 Contractor and its agents, representatives, employees, and subcontractors. Contractor and any subcontractors 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. The City in no way warrants that the minimum limits stated in Exhibit C are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this Agreement by the Contractor, the Contractor's agents, representatives, employees, or subcontractors. Contractor is free to purchase such additional insurance as may be determined necessary.

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

5.8 Notices. Unless otherwise provided, notice 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 date notice is sent if by electronic mail, or (c) 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:

<b>For the City</b>	<b>For the Contractor</b>
Name: Raquel McMahon	Name: Amy Riley
Title: Procurement Officer	Title: Arizona Account Manager
Address: 175 S. Arizona Ave. Chandler, AZ 85225	Address: 2615 San Juan Blvd. Farmington, NM 87401
Phone: 480-782-2400	Phone: 480-724-9532
Email: raquel.mcmahon@chandleraz.gov	Email: amy Riley@rileyindustrial.com

5.9 Successors and Assigns. City and Contractor 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 the City nor the Contractor 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 the City.

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

5.11 Completeness and Accuracy of Contractor's Work. The Contractor must be responsible for the completeness and accuracy of Contractor's services, data, and other work prepared or compiled under Contractor's obligation under this Agreement and must correct, at Contractor's expense, all willful or negligent errors, omissions, or acts that may be discovered. The fact that the City has accepted or approved the Contractor's work will in no way relieve the Contractor of any of Contractor's responsibilities.

5.12 Withholding Payment. The City reserves the right to withhold funds from the Contractor's payments up to the amount equal to the claims the City may have against the Contractor 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 the City under the provisions of Section 38-511, Arizona Revised Statutes (A.R.S.).

5.14 Independent Contractor. For this Agreement the Contractor constitutes an independent contractor. Any provisions in this Agreement that may appear to give the City the right to direct the Contractor as to the details of accomplishing the work or to exercise a measure of control over the work means that the Contractor must follow the wishes of the 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, the Contractor must assign to the City the key personnel that will be involved in furnishing goods or performing services prescribed in the Agreement. The City may acknowledge its acceptance of such personnel to furnish goods or perform services under this Agreement. At any time hereafter that the Contractor desires to change key personnel while performing under the Agreement, the Contractor must submit the qualifications of the new personnel to the City for prior approval. The Contractor will maintain an adequate and competent staff of qualified persons, as may be determined by the City, throughout the performance of this Agreement to ensure acceptable and timely completion of the Scope of Work. If the City objects, with reasonable cause, to any of the Contractor's staff, the Contractor must take prompt corrective action acceptable to the City and, if required, remove such personnel from the Project and replace with new personnel agreed to by the City.

5.16 Subcontractors. Prior to beginning the work, the Contractor must furnish the City for approval the names of subcontractors to be used under this Agreement. Any subsequent changes are subject to the 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. Contractor 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. The Contractor agrees to comply with these laws in performing this Agreement and to permit the City to verify such compliance.

5.19 No Israel Boycott. By entering into this Agreement, Contractor certifies that Contractor 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 the City from awarding a contract to any contractor who fails, or whose subcontractors fail, to comply with A.R.S. § 23-214(A). Therefore, Contractor agrees Contractor and each subcontractor 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 Contractor's or subcontractor's employee who provides goods or services under this Agreement to ensure that the Contractor and subcontractors comply with the warranty under this provision.

5.21 Lawful Presence Requirement. A.R.S. §§ 1-501 and 1-502 prohibit the 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 Forced Labor of Ethnic Uyghurs Prohibited. By entering into this Agreement, Contractor certifies and agrees Contractor does not currently use and will not use for the term of this Agreement: (i) the forced labor of ethnic Uyghurs in the People's Republic of China; or (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or (iii) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

5.23 Covenant Against Contingent Fees. Contractor 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 Contractor's firm. For breach or violation of this warrant, the 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.

5.24 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.

5.25 Disclosure of Information Adverse to the City's Interests. To evaluate and avoid potential conflicts of interest, the Contractor must provide written notice to the City, as set forth in this Section, of any work or services performed by the Contractor for third parties that may involve or be associated with any real property or personal property owned or leased by the City. Such notice must be given seven business days prior to commencement of the services by the Contractor for a third party, or seven business days prior to an adverse action as defined below. Written notice and disclosure must be sent to the City's Purchasing and Materials Manager. 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 the City; or (b) testifying or providing evidence on behalf of any person in connection with an administrative or judicial action against the City; or (c) using data to produce income for the Contractor or its employees independently of performing the services under this Agreement, without the prior written consent of the City. Contractor represents that except for those persons, entities, and projects identified to the City, the services performed by the Contractor 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 the City's interests. Contractor'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.

5.26 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 the Contractor or its subcontractors 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 the Contractor or its subcontractors in connection with the Contractor's or its subcontractor's performance of this Agreement is confidential and proprietary information belonging to the City. Except as specifically provided in this Agreement, Contractor or its subcontractors must not divulge data to any third party without the City's prior written consent. Contractor or its subcontractors 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 the Contractor or its subcontractors have first given the required notice to the City: (a) data which was known to the Contractor or its subcontractors prior to its performance under this Agreement unless such data was acquired in connection with work performed for the City; or (b) data which was acquired by the Contractor or its subcontractors in its performance under this Agreement and which was disclosed to the Contractor or its subcontractors by a third party, who to the best of the Contractor's or its subcontractors knowledge and belief, had the legal right to make such disclosure and the Contractor or its subcontractors 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 the Contractor or its subcontractors are subject. In the event the Contractor or its subcontractors are required or requested to disclose data to a third party, or any other information to which the Contractor or its subcontractors became privy as a result of any other contract with the City, the Contractor must first notify the City as set forth in this Section of the request or demand for the data. The Contractor or its subcontractors must give the City sufficient facts so that the City can be given an opportunity to first give its consent or take such action that the City may deem appropriate to protect such data or other information from disclosure. Unless prohibited by law, within ten calendar days after completion or termination of services under this Agreement, the Contractor or its subcontractors must promptly deliver, as set forth in this Section, a copy of all data to the City. All data must continue to be subject to the confidentiality agreements of this Agreement. Contractor or its subcontractors assume all liability to maintain the confidentiality of the data in its possession and agrees to compensate the City if any of the provisions of this Section are violated by the Contractor, its employees, agents or subcontractors. 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. Contractor agrees that the requirements of this Section must be incorporated into all subcontracts entered into by Contractor. A violation of this Section may result in immediate termination of this Agreement without notice.

5.27 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 Contractor and any of its subcontractors. At a minimum, Contractor 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 Contractor or its subcontractors in connection with this Agreement is believed to have been compromised, Contractor or its subcontractors must immediately notify the City contact. Contractor agrees to reimburse the City for any costs incurred by the City to investigate potential breaches of this data and, where applicable, the cost of notifying individuals who may be impacted by the breach. Contractor agrees that the requirements of this Section must be incorporated into all subcontracts entered into by Contractor. 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 Contractor or its subcontractors under this Section must survive the termination of this Agreement.

5.28 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.

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

5.30 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.

5.31 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.

5.32 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.

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

5.34 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 the 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.

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

5.36 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 the Exhibits, the provisions in this Agreement prevail.

5.37 Document/Information Release. Documents and materials released to the Contractor, which are identified by the City as sensitive and confidential, are the City's property. The document/material must be issued by and returned to the City upon completion of the services under this Agreement. Contractor's secondary distribution, disclosure, copying, or duplication in any manner is prohibited without the 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.

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

Exhibit A - Project Description/Scope of Work

Exhibit B - Compensation and Fees

Exhibit C - Insurance Requirements

Exhibit D - Special Conditions

5.39 Special Conditions. As part of the goods furnished or the services Contractor provides under this Agreement, Contractor 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.

5.40 Cooperative Use of Agreement. In addition to the City of Chandler and with approval of the Contractor, 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 and/or procurement rules and regulations of the respective political entity.

If required to provide services on a school district property at least five times during a month, Contractor will submit a full set of fingerprints to the school of each person or employee who may provide such service. The District will conduct a fingerprint check in accordance with A.R.S. 41-1750 and Public Law 92-544 of all Contractors, subcontractors or vendors and their employees for which fingerprints are submitted to the District. Additionally, the Contractor will comply with the governing body fingerprinting policies of each individual school district/public entity. Contractor, subcontractors, vendors and their employees will not provide services on school district properties until authorized by the District.

Orders placed by other agencies and payment thereof will be the sole responsibility of that agency. The City will not be responsible for any disputes arising out of transactions made by other agencies who utilize this Agreement.

5.41 Reserved.

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

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

5.44 Liens. The Contractor warrants that the materials supplied under this Agreement are free of liens and will remain free of liens.

5.45 Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the City of the materials, they will be (a) of a quality to pass without objection in the trade under the Agreement description, (b) fit for the intended purposes for which the materials are used, (c) within the variations permitted by the Agreement and are of even kind, quantity, and quality within each unit and among all units, (d) adequately contained, packaged and marked as the Agreement may require, and (e) conform to the Contractor's written promises or affirmations of fact.

5.46 Fitness. The Contractor warrants that any material supplied to City will fully conform to all requirements of the Agreement and all the Contractor's representations, and will be fit for all purposes and uses required by the Agreement.

5.47 Inspection/Testing. The warranties set forth in the Agreement are not affected by the City's inspection or testing of or payment for the materials by the City.

5.48 Packing and Shipping. The Contractor will be responsible for industry standard packing, which conforms to requirements of carrier's tariffs and Interstate Commerce Commission (ICC) regulations. Containers must be clearly marked as to lot number, destination, address, and purchase order number.

5.49 Delivery. All prices are F.O.B. Destination and include all delivery and unloading at the specified destinations. The Contractor will retain title and control of all goods until they are delivered and accepted by the City. All risk of transportation and all related charges will be the responsibility of the Contractor. All claims for visible or concealed damage will be filed by the Contractor. The City will notify the Contractor promptly of any damaged goods and will assist the Contractor in arranging for inspection.

5.50 Risk of Loss. The Contractor will bear all loss of conforming material covered under this Agreement until received by authorized personnel at the location designated in the purchase order or Agreement. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials will remain with the Contractor regardless of receipt.

5.51 Current Products. All products offered in response to this solicitation will be in current and ongoing production; will have been formally announced for general marketing purposes; will be a model or type currently functioning in a user (paying customer) environment and capable of meeting or exceeding all specifications and requirements set forth in the City's solicitation.

5.52 Annual Usage Report. Upon request, the Contractor will furnish to the City an annual usage report delineating the acquisition activity governed by the Agreement. The format of the report will be approved by the City and will disclose the quantity and the dollar value of each agreement item by individual purchasing unit.

5.53 Catalogs/Agreement Price Listing. As applicable, the Contractor will furnish to all requesting departments catalogs at no cost, which will outline agreement prices.

5.54 Emergency Purchases. City reserves the rights to purchase from other sources those items, which are required on an emergency basis and cannot be supplied immediately by the Contractor.

5.55 Non-Exclusive Agreement. This agreement is for the sole convenience of the City of Chandler. The City reserves the right to obtain like goods or services from another source when necessary.

5.56 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 at the time Council adopts the budget.

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

**FOR THE CITY**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**FOR THE CONTRACTOR**

By: Alicia McLuller

Contract Administrator

Its: \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_

City Attorney *TMB*

**ATTEST:**

By: \_\_\_\_\_

City Clerk

## **EXHIBIT A SCOPE OF WORK**

### **INTENT:**

The City's needs are stated in two Categories.

- Category A – Standard and emergency hydro-vac cleaning services, which include cleaning of gravity sewer mains, sewer manholes, siphons, bucketing, cured in place point repairs of gravity sewer mains, documentation of findings, and emergency responses.
- Category B – Standard and Emergency Digital Imaging Inspection Services for Sewer and Non-sewer Main Inspections which includes inspection of sewer mains, manholes, sewer service laterals, various structures, documentation of findings and emergency responses

**BACKGROUND:** The city of Chandler's wastewater collection and conveyance system is comprised of approximately 1,040 miles of sanitary sewers, with roughly 84,000 connections within 66 square mile service area. The system also includes approximately 21,000 maintenance access structures. Pipe material making up the system varies in size from 8" to 66". Pipe material varies from vitrified clay pipe (VCP), polyvinyl chloride (PVC), ductile iron pipe (DIP), concrete, ABS, CIPP lined, others or unknown.

### **General**

The Contactor shall provide all labor and equipment required to perform sewer line cleaning and debris removal from storm drains, wash bays, pump stations and other facilities located throughout Chandler as needed. All work activities shall be performed in a workmanlike manner and be acceptable to the requesting Department. The resulting agreement may be used by other city departments as needed. Contractor will be required to self-perform a minimum of 51% of city approved repair work.

### **Compliance with Applicable Law**

The Contractor and employees must comply with all applicable regulations and laws including but not limited to regulations of Arizona Department of Environmental Quality (ADEQ), OSHA, Arizona Department of transportation (ADOT)

### **Confined Space**

All equipment, devices, monitors, confined space units, and tools required for this contract shall be owned (or leased) and operated by the contractor. In the event that the Contractor needs to enter a confined space, the Contractor shall follow the OSHA laws regarding confined space entry. Contractor shall charge the additional rate per hour in Exhibit B for confined space entry. The rate per hour listed in exhibit B will include a tri pod, 3 additional staff, confined space entry permit, gas monitor that reads H2S, Oxygen, Co2, Blowers, and Fans. If additional equipment and staff is necessary it will be billed at a price agreed to between the city and the Contractor.

### **Contractor Identification**

The Contractor will have signs (magnetic is acceptable) on the doors of all vehicles indicating that they are under contract to the city of Chandler. All employees working for the contractor in Chandler will have ID Badges and wear company uniforms on their person whenever on duty.

### **Traffic Control**

The Contractor shall provide traffic control when requested by the city. The Contractor shall control all traffic through the work area in accordance with the requirements of the latest city of Chandler Traffic Barricade Manual. Traffic control shall be billed at actual cost. The city of Chandler Traffic Engineering Department must pre-approve contractor's traffic plans. When requested by the city, Contractor shall perform work during times of low traffic. All traffic control devices, signage and equipment necessary for traffic control shall be furnished by the contractor and cost shall be included in the price per linear feet bid under this contract.

### **Reporting**

Contractor shall provide the city a report of all completed jobs that includes specific work performed, date and times on scene. Sewer line cleaning report shall also include copy of each completed Quarter Section map indicating lines that were cleaned and problem locations

### **Separation of Materials**

Contractor shall arrive at jobs with an empty vehicle and not take on additional debris after completing a job. The purpose of this requirement is to ensure that the requesting department only pays for disposal of debris they are responsible for.

### **Disposal**

Contractor shall dispose of debris at Waste Management Butterfield Station under the waste profiles established for each department unless otherwise directed by the city. The city will pay for disposal directly to Waste Management under separate contract with Waste Management. The contractor will charge the rate for landfill transportation listed on Exhibit B for trips to and from the Butterfield Station. The rate shall be the cost to deliver debris to Butterfield station and return.

### **Decanting**

When requested by the city, the Contractor shall decant loads prior to traveling to Butterfield Station Landfill.

### **Mobilization and Demobilization**

The contractor shall charge the rate listed on Exhibit B for Mobilization and demobilization. The rate shall include mobilization, demobilization and cleanup of the site.

### **Water**

The city will furnish the water necessary to perform all services specified. The contractor will turn in a record of water used with each invoice for payment. Payment will not be made without the water use report. Contractor must obtain a 3" Hydrant meter from the city to fill Vector Trucks. An \$800.00 deposit will be held by the city for "each" meter used by the contractor. Meter reads will be e-mailed into the city each month along with monthly billings. The Contractor will not be billed for the water used.

### **Response time and availability**

The contractor will be available to respond to requests for service seven (7) days per week, twenty-four (24) hours per day. Response time will be as follows: Emergency requests will be responded to with a crew on site within two (2) hours of the initial request. Non-emergencies will be handled within Seventy-Two (72) hours of the initial request. Contractor will provide phone numbers for emergency calls. Contractor is expected to return these calls within 15 minutes.

### **Category A - Specific Services required by each department**

#### **Wastewater Collection**

##### **Sewer Lift Stations Hydro Vac**

The Contractor may be required to Hydro vac out city Sewer Lift stations The Sewer Lift Wet Wells size will vary throughout the city. The deepest Wet Well is 50'. The Hydro vac truck must have vacuum capabilities of lifting liquid 50'. Cleaning of the sewer lifts will require the Contractor to clean the wet well walls including the floor with high pressure water. When required, the Contractor will physically enter a Wet Well to remove larger debris. OSHA Confined Space Entry will be followed.

##### **Sewer lines (bucket and Hydro vac note: city may have separate contractors for each)**

The requesting department will determine if Hydro vac or Bucket Method will be used. The intent of sewer line cleaning is to remove foreign materials from the lines and restore the sewer to a minimum of 95% of the original carrying capacity. Since the success of other phases of work depends a great deal on the cleanliness of the lines the importance of this phase of the operation is emphasized. It is recognized that there are some conditions, such as broken pipe and major blockages that prevent cleaning from being accomplished or where additional damage would result if cleaning were attempted or continued. Should such conditions be encountered the contractor will not be required to clean those specific manhole sections. If in the course of normal cleaning operations damage does result from pre-existing and unforeseen conditions such as broken pipe, the contractor will not be held responsible. However, the contractor will remain on site and assist in repairs if requested. If the contractor is unable to clean any section of pipe for any reason, he must notify the requesting Department immediately.

During all sewer cleaning operations, satisfactory precautions shall be taken to protect the sewer lines and manholes from damage that might be inflicted by the improper use of cleaning equipment. Equipment recommended by the manufacturer to protect the manhole and pipe shall be used.

Whenever any tools which restrict the flow of water in the sewer lines are used precautions shall be taken to ensure that the water pressure created does not cause any damage or flooding to public or private property being served by the manhole section involved.

Every attempt must be made by the contractor to replace all manhole lids securely after performing maintenance to ensure pedestrian and traffic safety including the removal of all debris prior to re-setting the manhole cover. Any manhole lids with traffic striping should be re-aligned to the original placement. The contractor will notify the city of any defective manhole lids or rings that may present a hazard to the public safety within a reasonable amount of time based upon the severity of the defect.

### **Hydro vac of sewer lines**

Contractor shall clean sewer lines ranging from 8" to 66" with High-Velocity Jet (hydro-cleaning) Equipment: All hydro-cleaning vehicles shall be constructed for ease and safety of operation. The equipment shall have a minimum 500 feet of 1" hose. The equipment shall have a minimum of 2000 psi to be maintained when using hydro for cleaning. Maximum speed of travel will not exceed 45' per minute. The equipment shall have a selection of two or more high velocity nozzles. Hose reels will be governed to not exceed 45' per minute when retracting hose during cleaning cycle, hose footage counters must operate correctly.

### **Bucket Cleaning of sewer lines**

Contractor shall clean 6" to 66" with Mechanical Cleaning Equipment (Bucket machines). Bucket machines shall be in pairs with sufficient power to perform the work in an efficient manner.

### **Streets Hydro vac service**

Contractor shall clean sweeper wash bay and provide weekly removal of solids from collector.

Contractor shall Provide Drywell cleaning service: 4' to 50' in depth to remove solids. Clean two (2) Pump Stations once per year each.

Street Sweeper Wash Bay shall be scheduled for service on Friday mornings starting between 7:00am and 8:00am, unless otherwise directed by the city Street Superintendent or designee. Holidays that fall on a scheduled service day shall be rescheduled by the contractor with the city Street Superintendent or designee.

### **Water Distribution Hydro vac service**

Contractor shall provide for soft disposal and potholing. Contractor to use vacuum to find water mains and other utilities. Additional required services to include surface cleaning of streets after events such as a main break. Service to be provided as needed. Emergency calls must be responded to within two (2) hours of request. 975 E. Armstrong Way.

### **Fleet Services Hydro vac service**

Contractor shall provide removal of solids and contaminants associated with automotive and power equipment maintenance and washing from the sand oil water separators at Fleet Services located 975 E. Armstrong Way building I Chandler, AZ and 163 S. Price Rd Chandler, AZ

### **Water Reclamation Facilities and Tumbleweed Sand Separator Hydro vac service**

Contractor shall provide hydro vac services to the city's Water Reclamation Facilities including Airport Water Reclamation Facility AWRP, Lone Butte, and Ocotillo Water Reclamation Facility OWRF. The services shall include removing debris from scum pits, sludge holding tanks, head works, EQ basins, grit tanks, etc.

### **Water Treatment Plant Hydro vac service**

Contractor shall provide debris removal at the city Surface Water Treatment plant sediment basins

### **Parks Hydro vac service**

Contractor shall clean Parks wash bay located at 650 E. Ryan Rd.

### **Other Hydro Vac Service**

Contractor shall perform hydro vac services for Departments and areas not listed if requested by the city at the rate listed on exhibit B.

### **SITE ADDRESSES**

Water Distribution: 975 E. Armstrong Way, Building K, Chandler, AZ

Fleet Services: 975 E. Armstrong Way building I Chandler, AZ and 163 S. Price Rd Chandler, AZ

Airport Water Reclamation Facility: 905 E. Queen Creek Rd., Chandler, AZ

Lone Butte Water Reclamation Facility: Gila River Indian Reservation, 3 miles west of Firebird Lake (I-10/Maricopa Road)

Ocotillo Water Reclamation Facility: 3333 S. Old Price Rd, Chandler, AZ

Water Treatment Plant: 1475 E. Pecos Rd., Chandler, AZ

Tumbleweed Sand Separator, 520 E. Ryan Rd., Chandler, AZ

### **Category B – Standard and Emergency Digital Inspection Services**

#### **General**

#### **CLOSED CIRCUIT TELEVISION (CCTV) INSPECTION**

At a minimum, the CCTV equipment shall consist of a pan and tilt color camera capable of illumination and recording features and a minimum cable length of 1,000 ft capable of filming sewer lines 4" through 66", lateral launch capable of filming laterals up to 80', audio capable, on-screen counter and inclinometer with a DVD or digital recording system. The CCTV Camera shall be capable of panning the lens through a 360-degree arc about the vertical axis and tilting at least 90-degrees to the longitudinal axis. The data collected shall be PC based, using NASSCO Approved software. The Contractor shall also supply the city with the program required to read recorded data if necessary. The camera shall be either transported by tractor or tagging and shall be moved through at a uniform rate no more than thirty (30) feet per minute. At each feature, defect, or change in pipe condition, the Contractor shall pause the forward progress of the inspection to pan and tilt the camera to view the defect and the complete sewer circumference at that location. The inspection shall also be stopped or backed up to view and analyze conditions that appear unusual or uncommon to a sewer in sound condition.

The Contractor shall utilize inspection procedures and requirements as necessary for High -Definition Video Sewer Line Inspection to deliver quality inspection logs and photographs in the NASSCO standard file format within twenty-four (24) hours after the work is completed.

#### LATERAL VERIFICATION

The primary intent is to verify an existing sewer service. The Contractor shall have the equipment and ability to conduct lateral launching from sewer mains to inspect the condition of sewer laterals and verify connection and service from the lateral to the main.

The Contractor shall provide video inspection data of the lateral launching to the city within twenty-four (24) hours after the work is completed.

#### MANHOLE VERIFICATION

The intent is to verify the locations of buried manholes or maintenance access points. The Contractor will perform internal video inspection of the sewer main, identify the location of the buried manhole and mark the location on the ground.

The Contractor shall provide the video inspection data to the city within twenty-four (24) hours after the work is completed.

#### USE OF NASSCO-COMPLIANT AUTOMATED DEFECT RECOGNITION TOOLS (A.I.)

Perform NASSCO-compliant PACP/LACP/MACP inspections using CCTV, AI-assisted defect recognition, and certified human verification. Complete inspection data summaries for the appropriate NASSCO coding discipline will need to be included in the latest NASSCO format.

Pre-cleaning and site preparation, if necessary, upon city approval. AI-assisted automated defect recognition (ADR) software must be recognized by the city of Chandler. Contractor must perform human review and provide verification by a NASSCO-certified (PACP/LACP/MACP) operator for quality control. Delivery of all AI inspections should be NASSCO compliant reports and data submitted in agency approved video formats

#### RESPONSE TIME

The Contractor shall respond to normal, non-emergency requests for video inspection within forty-eight (48) hours after notification.

The Contractor shall be required to coordinate with the city to arrange date and time for video for all new construction for inspection.

#### **3.1 Standard Inspection Procedures:**

a. Cleaning of the sewer pipe may or may not be required prior to sewer inspection. This determination will be made by city staff after consultation with the Contractor. If cleaning is required, documentation of cleaning efforts shall be provided to the city. The city will provide a site for the disposal of non-hazardous liquid waste associated with the cleaning activities, at the Butterfield Station. In addition, the city will provide a portable water meter for the monitoring of potable water used in association of the cleaning activities.

b. The inspection equipment shall be moved through the line in either direction at a moderate rate, stopping when necessary to permit proper documentation of the sewer's condition. In no case shall closed-circuit television equipment be pulled at a speed greater than thirty feet (30') per minute.

c. Manual winches, power winches, TV cable, powered rewinds, or other devices that do not obstruct the camera view or interfere with proper documentation of the sewer conditions shall be used to move the inspection equipment through the sewer line. When non-remote controlled winches are used to pull the inspection equipment through the line, suitable means of communication shall be set up between the two manholes of the section being inspected to ensure good communication between members of the crew.

d. If the inspection equipment will not pass through the entire manhole section during the inspection operation, the Contractor shall set up his equipment so that the inspection can be performed from the opposite manhole. If the inspection equipment fails to pass through the entire manhole section again, the inspection shall be considered complete, and no additional inspection work shall be required until repairs are made.

e. In the event that the inspection equipment encounters broken pipe and there is a possibility that continuation of the inspection could cause the inspection equipment to become stuck, result in additional pipe damage, or collapse, either the Contractor or the city may elect to discontinue the inspection or attempt to insert the inspection equipment from another direction in order to inspect the distance of uninspected sewer line.

**3.2 Lateral Verification:**

a. The Contractor shall have the equipment and ability to conduct lateral launching from sewer mains in order to inspect the condition of sewer laterals and verify connection and service from the lateral to the main. The primary intent of these efforts is to verify an existing sewer service. Documentation of these efforts shall be documented as outlined in this section.

**3.3 New Sewer Inspection:**

a. The City may require CCTV inspection of new sewer lines. When required, the CCTV work shall be done before paving of streets. Contractor shall coordinate CCTV work with any other contractors working in the development area as directed by the city. Contractor shall surrender DVD's, electronic files and logs to the city as soon as the new development sewer CCTV inspection is complete. The city shall give the CCTV contractor a seven (7) calendar day notice before any new sewer is to be inspected.

b. New sewer line inspections shall include the measurement of depths of any standing water performed by a mechanical gauge that indicates when the depth of water reaches one inch (1") within the pipe.

c. Contractor shall not be required to make any decisions pertaining to acceptance or rejection of any new sewer line. The city shall make all decisions regarding new sewer acceptance.

**3.4 Standard and Emergency Inspection Required Documentation:**

a. Documentation of sewer inspections by the Contractor shall be performed in accordance with specifications herein. The city may request to observe that documentation (entering data on computer) is being performed properly, accurately and legibly during (not after) the sewer inspection of each manhole section. All logs shall be maintained by the Contractor on standard DVD or digital media format and shall be made available to the city upon city's request.

**3.5 Standard Sewer Inspection Form:**

- a. Contractor shall submit all forms in accordance with NASSCO standards in respect to coding.
- b. Contractor shall show records in both paper format and electronic; either via DVD, flash drive or external hard drive, that show the location in relation to an identified manhole, of each point of significance observed during an inspection.
- c. Points of significance i.e., location of services, unusual conditions, roots, storm sewer connections, broken pipe, presence of scale and/or corrosion, and other discernible features shall be recorded, and a copy of the records provided to the city. A map containing subdivisions name, quarter section number, direction of taping and reference of all streets within the subdivision shall be attached to the printed log.

**3.6 Standard and Emergency DVD Videotape/ Digital Format Recordings:**

- a. Digital video recordings must be compatible with Lucity asset management software or city approved systems
- b. The purpose of digital video recording is to obtain a visual record of the pipe conditions. One copy shall be provided to the city.
- c. An eleven by seventeen-inch (11" X 17") map of the quarter section, being inspected, shall be made for each DVD or electronic format. This map shall accompany a log sheet(s) for the tape and shall show the sewer sections on the digital video recording.
- d. A full-size quarter section map is to contain at minimum, but not limited to, the following:
  - 1) Manhole numbers (a secondary map containing pipe numbers may be included)
  - 2) A list of all sections inspected color coordinated with the date each section is inspected
  - 4) File number each section is on
  - 5) Footage measurement of each section
  - 6) Totals of different size sewer pipe and material type, i.e. clay, PVC, ductile iron
  - 7) Type lengths of sewers for the quarter section

**3.7 Emergency Work Requests:**

- a. At any time during the course of this agreement the contractor may be responsible for responding to emergency sewer inspection related services, at minimum, but not limited to, the following:
  - 1) Lateral location verification

2) Manhole and or maintenance access point location and verification

3) Sewer line inspection via standard CCTV

4) Sewer line cleaning

5) Pipeline obstruction removal

b. Emergency work requests can occur at any time, during normal business hours or during non-business hours. Requests may be submitted by the city via telephone or electronic format.

**3.8 Emergency Response:**

a. Emergency after hours are defined as Monday through Friday from 5:00 P.M. to 6:00 A.M. local time. Services required on Saturday, Sunday and city recognized holidays shall be treated as emergency after hours. Emergency calls may arise at any time of day as outlined above.

b. The Contractor shall be available to respond to emergency service requests, seven (7) days per week, twenty-four (24) hours per day throughout the life of this contract.

c. Emergency requests shall be responded to by a full crew on site within two (2) hours of the initial contact.

d. The Contractor shall provide the city Contract Administrator with a list of contacts and phone numbers for those individuals to be contacted in case of emergencies. This list shall include at least three (3) contacts.

**3.9 Special Projects:**

a. The Contractor may be requested to conduct special projects related to sewer assessments, such as sonar and or laser profiling of identified large and small diameter sewer pipe.

b. The Contractor may be requested to conduct additional pipe inspection work not directly related to the sewer system. This work may include, but is not limited to, inspection of pipelines within the city's potable water infrastructure or water and wastewater treatment facilities.

c. The Contractor may be requested to initiate pump around activities to allow for improved sewer inspection efforts. If requested, the Contractor shall be responsible for isolating a specific stretch of sewer line and re-diverting sewer flows in such a manner as to by-pass the normal sewer flow, around and away from the sewer pipe to be inspected. Typical pump around activities would be associated with small pipe less than fifteen-inch (15") diameter.

d. In the process of conducting sewer assessment efforts, the contractor may be required to utilize additional specialized resources not clearly defined within the language of the contract. These specialized resources may include, but are not limited to, the following:

1) Additional equipment, such as easement machines, solid ground traction mats, water trucks and the

necessary labor to operate the additional equipment.

2) Pre-assessment efforts, such as site visits, field verification, and data collection prior to conducting the actual sewer assessment. All specialized resource efforts shall be approved by the Contract Administrator, or designee, prior to implementing into a job task.

3) The city's storm water system or treatment facilities on the water or sewer side of the city's operation. In all cases the details would be discussed, planned and scheduled at least ten (10) days prior with an understanding by all parties to the specific details. Any such special projects will be initiated by the contract administrator and approved in writing by the contract administrator. That approval documentation will include specific details, maps, drawings, specifications and agreed upon pricing within the boundaries of this agreement.

**EXHIBIT B  
PRICING**

**Category A: STANDARD & EMERGENCY CLEANING SERVICES**

*The hourly rates below shall be the all inclusive rate for the crew and all equipment to perform hydro vac service and bucket service.*

Item	Description	Estimated Hours	Unit Price Per Hour	Extended Price (multiply estimated hourly rate by unit price)
1	Sewer Lift Station Hydro Vac Service	25	\$ 240.00	\$ 6,000.00
2	Sewer Line Hydro Vac Service	2000	\$ 240.00	\$ 480,000.00
3	Sewer Line Bucket Service	800	\$ 640.00	\$ 512,000.00
4	Streets Hydro Vac Service	200	\$ 240.00	\$ 48,000.00
5	Water Distribution Hydro Vac Service	160	\$ 240.00	\$ 38,400.00
6	Fleet Services Hydro Vac Service	5	\$ 240.00	\$ 1,200.00
7	Airport Water Reclamation Facility Hydro Vac Service	50	\$ 240.00	\$ 12,000.00
8	Tumbleweed Sand Separator Hydro Vac Service	40	\$ 240.00	\$ 9,600.00
9	Lone Butte Hydro Vac Service	50	\$ 240.00	\$ 12,000.00
10	Ocotillo Water Reclamation Facility Hydro Vac Service	65	\$ 240.00	\$ 15,600.00
11	Water Treatment Plant Hydro Vac Service	80	\$ 240.00	\$ 19,200.00
12	Parks Hydro Vac Service	6	\$ 240.00	\$ 1,440.00
13	Other Hydro Vac Service	20	\$ 240.00	\$ 4,800.00
14	<b>Mobilization</b> Flat rate for mobilization and Demobilization (rate listed includes both)	165	\$ 250.00	\$ 41,250.00
15	<b>Transportation to landfill</b> Flat rate to haul debris to landfill and return	330	\$ 495.00	\$ 163,350.00
16	<b>Confined Space.</b> Cost per hour to be added to hourly rates above for confined space work	50	\$ 200.00	\$ 10,000.00
17	<b>Emergency Response.</b> Rate per hour to be added to hourly rates for emergency response	50	\$ 45.00	\$ 2,250.00
18	Traffic Control Allowance	NA	NA	\$ 20,000
19	Standard sewer cleaning including root intrusion and or foreign inclusions of existing small diameter pipe to include the use of mechanical cleaning equipment	Less than 15" diameter	\$ 240.00	NA
20	Standard sewer cleaning including root intrusion and or foreign inclusions of existing large diameter pipe to include the use of mechanical cleaning equipment	Over 15" diameter	\$ 240.00	NA

**Category B: STANDARD & EMERGENCY INSPECTION SERVICES**

Item	Description	Size	Approximate Annual Usage	Unit Cost Per Foot	Extended Cost (multiply estimated hourly rate by unit price)
1	Standard CCTV inspection for small diameter pipeline	Less than 15" diameter pipe	997,500	\$ 0.75	\$ 748,125.00
2	Standard CCTV inspection for large diameter pipeline	Over 15" diameter pipe	120,000	\$0.85	\$ 102,000.00
3	Standard CCTV inspection for <b>new</b> sewer small diameter pipelines	Less than 15" diameter pipe	8,000	\$0.75	\$6,000.00
4	Standard CCTV inspection for <b>new</b> sewer large diameter pipelines	Over 15" diameter pipe	5,000	\$ 0.85	\$4,250.00
5	Lateral launching and verification sewer service from sewer main. Note: Minimum of 10 lateral verifications per job task (within one standard city quarter section)	4" to 36" sewer mains into typical lateral 4"	100	\$ 85.00	\$ 8,500.00
6	Emergency lateral launching and verification of sewer service from sewer main. Note: Minimum of 1 lateral verification per job task. Response time of less than 4 hours	4" to 36" to sewer mains into typical 4"	20	\$ 145.00	\$ 2,900.00
<b>TRAFFIC CONTROL SERVICES</b>					
7	Light Traffic Control: All-inclusive unit cost (includes setup/removal)	NA	25	\$200.00	\$ 5,000.00
8	Major Traffic Control: All-inclusive unit cost (includes setup/removal)	NA	10	\$ cost + 10%	\$ cost + 10%
<b>SPECIAL PROJECTS</b>					
9	Special Projects: Unit Cost shall be all inclusive rate for services as described in Scope of Work Item.	NA	50 HOURS	\$ 235.00	\$11,750.00

**Category B: NON-STANDARD AND EMERGENCY SPECIALTY AND DIGITAL IMAGING INSPECTION SERVICES AND NON-SEWER MAIN INSPECTION SERVICES** The services listed below are as needed services which may or may not be utilized frequently. Only complete if applicable. The unit prices listed on the proposal form shall be all inclusive and include all pertinent additional fees normally associated with this type of service. This shall include but not be limited to labor, materials, equipment, transportation, etc. No additional charges beyond the quoted unit price (except applicable sales tax) shall be allowed, unless authorized by the Contract Administrator before final invoicing.

Item	Description	Size	Approximate Annual Usage	Unit Cost Per Foot	Extended Cost (multiply estimated hourly rate by unit price)
10	Rate for inspection equipment related to sonar profiling of existing sewer pipe	24" to 66" diameter type	500 FEET	\$ N/A /FT	\$ N/A
11	Rate for inspection equipment related to laser profiling of existing sewer pipe	24" to 66" diameter type	500 FEET	\$ N/A /FT	\$ N/A
12	Manhole or maintenance access point location and verification. Note: Minimum of one access point per job task. Response time of less than 8 hours.	Up to 66" diameter pipe	50 EA	\$ 235.00 /FT	\$ 11,720.00
13	Small diameter lateral lining work up to five (5) linear feet	NA	25 EA	\$ N/A /LF	\$ N/A
14	Small diameter lateral lining work from six (6) to sixty (60) linear feet	NA	25 EA	\$ N/A /LF	\$ N/A
<b>Non-Sewer and Emergency Inspection Services</b>					
15	Rate for standard CCTV inspection of non-sewer related infrastructure	4" to 66" diameter Pipe	40 Hours	\$ 235.00 /HR	\$ 9,400.00
16	Rate for conducting pump around activities excluding pump rental	Less than 15" diameter pipe	48 Hours	\$ 185.00 /HR	\$ 8,880.00
17	Rate for emergency response during normal business hours (in addition to service provided above)	4" to 66" diameter pipe	20 Hours	\$ 30.00 /HR	\$ 600.00
18	Rate for emergency response after business hours (in addition to service provided above)	4" to 66" diameter pipe	20 Hours	\$ 90.00 /HR	\$ 1,800.00

**Category B: NON-STANDARD AND EMERGENCY SPECIALTY AND DIGITAL IMAGING INSPECTION SERVICES AND NON-SEWER MAIN INSPECTION SERVICES (CONTINUED)**

Item	Description	Size	Approximate Annual Usage	Unit Cost	Extended Cost (multiply estimated hourly rate by unit price)
<b>TRAFFIC CONTROL SERVICES</b>					
19	Light Traffic Control: All-inclusive unit cost (includes setup and removal)	NA	25 EA	\$ 200.00 /EA	\$ 5,000.00
20	Major Traffic Control: All-inclusive unit cost (includes setup and removal)	NA	10 EA	\$ Cost + 10% /EA	\$ cost + 10%
<b>SPECIAL PROJECTS</b>					
21	Special Projects: Unit cost shall be all-inclusive rate for services	NA	50 HOURS	\$ 235.00 /HR	\$ 11,750.00
<b>HIGH-DEFINITION IMAGING "WITH" NASSCO CODING &amp; RATING</b>					
22	High-Definition imaging with 360-degree panoramic capability inspection for SMALL diameter pipelines	Less than 15" diameter pipe	50,000 FEET	\$ N/A /FT	\$ N/A
23	High-Definition imaging with 360-degree panoramic capability inspection for LARGE diameter pipelines	Over 15" diameter pipe	50,000 FEET	\$ N/A /FT	\$ N/A
<b>HIGH DEFINITION IMAGING "WITHOUT" NASSCO CODING &amp; RATING</b>					
24	High-Definition imaging with 360-degree panoramic capability inspection for SMALL diameter pipelines	Less than 15" diameter pipe	50,000 FEET	\$ N/A /FT	\$ N/A
25	High-Definition imaging with 360-degree panoramic capability inspection for LARGE diameter pipelines	Over 15" diameter pipe	50,000 FEET	\$ N/A /FT	\$ N/A

**Category B: NON-STANDARD AND EMERGENCY SPECIALTY DIGITAL IMAGING INSPECTION SERVICES AND NON-SEWER MAIN INSPECTION SERVICES (CONTINUED)**

Item	Description	Size	Approximate Annual Usage	Unit Cost	Extended Cost
<b>MAINTENANCE ACCESS POINT INSPECTIONS</b>					
26	<b>Level 1:</b> Maintenance Access Point Inspections following NASSCO standards. <b>Note:</b> Minimum of 25 inspections per job task.	Up to 66" diameter pipe	500 EA	\$ N/A /EA	\$ N/A
27	<b>Level 2:</b> Maintenance Access Point Inspections following NASSCO standards. <b>Note:</b> Minimum of 25 inspections per job task.	Up to 66" diameter pipe	250 EA	\$ N/A /EA	\$ N/A

**VIDEO INSPECTION SERVICES**

Description	Unit of Measure	Unit Price
If Contractor charges a Standby fee, include it here. This will not be applicable to routine maintenance. Contractor must notify contract administrator once work is paused, any delay in work needs to be communicated to contract administrator.	Hourly	\$240.00 for onsite standby \$ 120.00 for yard standby
Minimum Call Out Charge	$\frac{2}{}$ hours (contractor is to determine # of hours for minimum call out)	Pricing will be based on your emergency rates provided.

**SEWER LINE CLEANING SERVICES**

Description	Unit of Measure	Pricing
Minimum Call Out Charge	$\frac{2}{}$ hours (contractor is to determine # of hours for minimum call out)	Pricing will be based on standard pricing provided in price pages

The **Town of Queen Creek** intends to utilize the contract and has added their estimated quantities

<b>VIDEO INSPECTION SERVICES</b>				
Description	Unit of Measure	Town of Queen Creek Estimated Quantity	Unit Price	Extended Price
Video Sewer up to 24" Diameter	Linear Foot	214,300	\$ 0.85	\$182,155.00
Video Sewer, Diameter Greater than 24" and Above	Linear Foot	60,180	\$ 0.85	\$51,153.00
Lateral	Each	225	\$ 85.00	\$ 19,125.00
Emergency Call Response	Hourly	30	\$ 145.00	\$ 4,350.00
If Contractor charges a Standby fee, include it here. This will not be applicable to routine maintenance	Hourly	NA	\$235.00	NA

### **SEWER LINE CLEANING SERVICES**

The hourly rates below shall be the all-inclusive rate for the crew and all equipment to perform service.

Description	Town of Queen Creek Estimated Quantity in Hours	Unit Price	Extended Price
Sewer Lift Station Hydro Vac Service	20	\$240.00	\$4,800.00
Streets Hydro Vac Service	20	\$ 240.00	\$4,800.00
<b>Confined Space.</b> Cost per hour to be added to hourly rates above for confined space work	20	\$200.00	\$ 4,000.00
<b>Emergency Response.</b> Rate per hour to be added to hourly rates for emergency response	20	\$45.00	\$ 900.00

## **EXHIBIT C INSURANCE**

### **INSURANCE**

#### General.

- A. At the same time as execution of this Agreement, the Contractor shall furnish the 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 shall not be deemed to apply to required Workers' Compensation coverage.
- B. The Contractor and any of its subcontractors shall 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.
- C. The insurance requirements set forth below are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.
- D. The City in no way warrants that the minimum insurance limits contained in this Agreement are sufficient to protect Contractor from liabilities that might arise out of the performance of the Agreement services under this Agreement by Contractor, its agents, representatives, employees, subcontractors, and the Contractor is free to purchase any additional insurance as may be determined necessary.
- E. Failure to demand evidence of full compliance with the insurance requirements in this Agreement or failure to identify any insurance deficiency will not relieve the Contractor 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.
- F. Use of Subcontractors: If any work is subcontracted in any way, the Contractor shall execute a written contract with Subcontractor containing the same Indemnification Clause and Insurance Requirements as the City requires of the Contractor in this Agreement. The Contractor is responsible for executing the Agreement with the Subcontractor and obtaining Certificates of Insurance and verifying the insurance requirements.

Minimum Scope and Limits of Insurance. The Contractor shall provide coverage with limits of liability not less than those stated below.

- A. *Commercial General Liability-Occurrence Form.* Contractor 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.

- B. *Automobile Liability-Any Auto or Owned, Hired and Non-Owned Vehicles*  
*Vehicle Liability:* Contractor must maintain Business/Automobile Liability insurance with a limit of \$1,000,000 each accident on Contractor owned, hired, and non-owned vehicles assigned to or used in the performance of the Contractor'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.
- C. *Workers Compensation and Employers Liability Insurance:* Contractor must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor 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.
- D. *Builders' Risk/Installation Floater Insurance.* The Contractor bears all responsibility for loss to all equipment or Work under construction. Unless waived in writing by the City the Contractor will purchase and maintain in force Builders' Risk/Installation Floater insurance on the entire Work until completed and accepted by the City. This insurance will be Special Causes of Loss policy form, (minimally including perils of fire, flood, lightning, explosion, windstorm and hail, smoke, aircraft and vehicles, riot and civil commotion, theft, vandalism, malicious mischief, and collapse), completed value, replacement cost policy form equal to the contract price and all subsequent modifications. The Contractor's Builders' Risk/Installation Floater insurance must be primary and not contributory.
1. Builders' Risk/Installation Floater insurance must cover the entire Work including reasonable compensation for architects and Contractors' services and expenses and other "soft costs" made necessary by an insured loss. Builders' Risk/Installation Floater insurance must provide coverage from the time any covered property comes under the Contractor's control and or responsibility, and continue without interruption during course of construction, renovation and or installation, including any time during which any project property or equipment is in transit, off site, or while on site for future use or installation. Insured property must include, but not be limited to, scaffolding, false work, and temporary buildings at the site. This insurance must also cover the cost of removing debris, including demolition as may be legally required by operation of any law, ordinance, regulation or code.
  2. The Contractor must also purchase and maintain Boiler and Machinery insurance with the same requirements as Builders' Risk/Installation Floater insurance cited above if the Work to be performed involves any exposures or insurable property normally covered under a Boiler and Machinery insurance policy or made necessary as required by law or testing requirements in the performance of this Contract/Agreement. The Contractor will be responsible for any and all deductibles under these policies and the Contractor

- waives all rights of recovery and subrogation against the City under the Contractor's Builders' Risk/Installation Floater insurance described herein.
3. Builders' Risk/Installation Floater Insurance must be maintained until whichever of the following first occurs: (i) final payment has been made; or, (ii) until no person or entity, other than the City, has an insurable interest in the property required to be covered.
    - a. The Builders' Risk/Installation Floater insurance must be endorsed so that the insurance will not be canceled or lapse because of any partial use or occupancy by the City.
    - b. The Builders Risk/Installation Floater insurance must include as named insureds, the City, the Contractor, and all tiers of subcontractors and others with an insurable interest in the Work who will be named as additional insureds unless they are able to provide the same level of coverage with the City and Contractor named as additional insureds. Certificates must contain a provision that the insurance will not be canceled or materially altered without at least 30 days advance notice to the City. The City must also be named as a Loss Payee under the Builders' Risk/Installation Floater coverage.
    - c. The Builders Risk/Installation Floater insurance must be written using the Special Causes of Loss policy form, replacement cost basis.
    - d. All rights of subrogation under the Builders Risk/Installation Floater insurance are, by this Contract/Agreement, waived against the City, its officers, officials, agents and employees.
    - e. The Contractor is responsible for payment of all deductibles under the Builders' Risk/Installation Floater insurance policy.

Additional Policy Provisions Required.

- A. *Self-Insured Retentions or Deductibles.* Any self-insured retentions and deductibles must be declared and approved by the City. If not approved, the City may require that the insurer reduce or eliminate any deductible or self-insured retentions with respect to the City, its officers, officials, agents, employees, and volunteers.
  1. The Contractor's insurance must contain broad form contractual liability coverage.
  2. The Contractor's insurance coverage must be primary insurance with respect to the City, its officers, officials, agents, and employees. Any insurance or self-insurance maintained by the City, its officers, officials, agents, and employees shall be in excess of the coverage provided by the Contractor and must not contribute to it.
  3. The Contractor'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.
  4. Coverage provided by the Contractor must not be limited to the liability assumed under the indemnification provisions of this Agreement.

5. The policies must contain a severability of interest clause and waiver of subrogation against the City, its officers, officials, agents, and employees, for losses arising from Work performed by the Contractor for the City.
6. The Contractor, its successors and or assigns, are required to maintain Commercial General Liability insurance as specified in this Agreement for a minimum period of three years following completion and acceptance of the Work. The Contractor must submit a Certificate of Insurance evidencing Commercial General Liability insurance during this three year period containing all the Agreement insurance requirements, including naming the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insured as required.
7. If a Certificate of Insurance is submitted as verification of coverage, the 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.

B. *Insurance Cancellation During Term of Contract/Agreement.*

1. If any of the required policies expire during the life of this Contract/Agreement, the Contractor must forward renewal or replacement Certificates to the City within ten days after the renewal date containing all the required insurance provisions.
2. Each insurance policy required by the insurance provisions of this Contract/Agreement shall provide the required coverage and shall not be suspended, voided or canceled except after 30 days prior written notice has been given to the City, except when cancellation is for non-payment of premium, then ten days prior notice may be given. Such notice shall 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, the Contractor or its insurance broker shall notify the City of any cancellation, suspension, non-renewal of any insurance within seven days of receipt of insurers' notification to that effect.

A. *City as Additional Insured.* The policies are to contain, or be endorsed to contain, the following provisions:

1. The Commercial General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions: The City, its officers, officials, agents, and employees are additional insureds with respect to liability arising out of activities performed by, or on behalf of, the Contractor including the City's general supervision of the Contractor; Products and Completed operations of the Contractor; and automobiles owned, leased, hired, or borrowed by the Contractor.
2. The City, its officers, officials, agents, and employees must be additional insureds to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Agreement.

## **EXHIBIT D SPECIAL CONDITIONS**

### **INTELLECTUAL PROPERTY**

City Ownership of Project Documents. All work products (electronically or manually generated) including, but not limited to: plans, specifications, cost estimates, tracings, studies, design analyses, original drawings, Computer Aided Drafting and Design (CADD) file diskettes which reflect all final drawings, and other related documents which are prepared in the performance of this Agreement (collectively referred to as "Documents") are to be and remain the property of the City and are to be delivered to the City Representative before the final payment is made to the Contractor. In the event these Documents are altered, modified or adapted without the written consent of the Contractor, which consent the Contractor shall not unreasonably withhold, the City agrees to hold the Contractor harmless to the extent permitted by law from the legal liability arising out of the City's alteration, modification or adaptation of the Documents.

Contractor to Retain Copyrights. The copyrights, patents, trade secrets or other intellectual property rights associated with the ideas, concepts, techniques, inventions, processes or works of authorship developed or created by the Contractor, its subcontractors or personnel, during the course of performing this Agreement or arising out of the Project shall belong to the Contractor.

License to City for Reasonable Use. With this Agreement, the Contractor and its subcontractors hereby grant a license to the City, its agents, employees, and representatives for an indefinite period of time to reasonably use, make copies, and distribute as appropriate the Documents, works or deliverables developed or created as a result of the Project and this Agreement. This license also includes the making of derivative works. In the event that the derivative works require the City to alter or modify the Documents, then the provisions of this section apply.

Documents to Bear Seal. The Contractor and its subcontractors shall endorse by professional seal all plans, works, and deliverables prepared by each for this Agreement as required by state law

### **WORK IN CITY RIGHT-OF-WAY**

Work within the City's Right-of-Way. All work performed within the City's Right-of-Way by the Contractor and his/her subcontractors must comply with the City of Chandler requirements.

### **ACCESS TO SECURED FACILITIES**

Contract Worker Access Controls, Badge and Key Access Requirements. A Contract Worker shall not be allowed to begin work in any City facility without: (A) The prior completion and the City's acceptance of the required background screening; and (B) when required, the Contract Worker's receipt of a City issued badge. A badge will be issued to a Contract Worker solely for access to the City facility(s) to which the Contract Worker is assigned. Each Contract Worker who enters a City facility must use the badge issued to the Contract Worker. Any and all fees associated with security badging will be assessed in compliance with Chandler City Code §4-22.

Key Access Procedures. If the Contract Worker's services require keyed access to enter a City facility(s), a separate key issue/return form must be completed and submitted by Contractor for each key issued.

Stolen or Lost Badges or Keys. Contractor shall report lost or stolen badges or keys to the City immediately. A new badge application or key issue form shall be completed and submitted along with payment of the applicable fees prior to issuance of a new badge or key.

Return of Badges or Keys. All badges and keys are the property of the City and must be returned to the City within one business day of when the Contract Worker's access to a City facility is no longer required to furnish the services under this Agreement. Contractor shall collect a Contract Worker's badge and key(s) upon the termination of the Contract Worker's employment; when the Contract Worker's services are no longer required at the particular City facility(s); or upon termination, cancellation or expiration of this Agreement.

Contractor's default under this Section shall include, but is not limited to the following: (1) Contract Worker gains access to a City facility(s) without the proper badge or key; (2) Contract Worker uses a badge or key of another to gain access to a City facility; (3) Contract Worker commences services under this Agreement without the proper badge, key or Background Screening; (4) Contract Worker or Contractor submits false information or negligently submits wrong information to the City to obtain a badge, key or applicable Background Screening; or (5) Contractor fails to collect and timely return Contract Worker's badge or key upon termination of Contract Worker's employment, reassignment of Contract Worker to another City facility or upon the expiration, cancellation or termination of this Agreement. Contractor acknowledges and agrees that the access control, badge and key requirements in this Section are necessary to preserve and protect public health, safety and welfare. Accordingly, Contractor agrees to properly cure any default under this Section within three business days from the date notice of default is sent by the City. The parties agree that Contractor's failure to properly cure any default under this Section shall constitute a breach of this Section. In addition to any other remedy available to the City at law or in equity, Contractor shall be liable for and shall pay to the City the sum of \$1,000.00 for each breach by Contractor of this Section. The parties further agree that the sum fixed above is reasonable and approximates the actual or anticipated loss to the City at the time and making of this Agreement in the event that Contractor breaches this Section. Further, the parties expressly acknowledge and agree to the fixed sum set forth above because of the difficulty of proving the City's actual damages in the event that Contractor breaches this Section. The parties further agree that three breaches by Contractor of this Section arising out of any default within a consecutive period of three months or three breaches by Contractor of this Section arising out of the same default within a period of 12 consecutive months shall constitute a material breach of this Agreement by Contractor and the City expressly reserves all of its rights, remedies and interests under this Agreement, at law and in equity including, but not limited to, termination of this Agreement.

**1. Contractor and Subcontractor Worker Background Screening.** Contractor agrees that all contract workers and subcontractors (collectively "Contract Worker(s)") that Contractor furnishes to City under this Agreement will be subject to background and security checks and screening as set forth in this Section (collectively "Background Screening") at Contractor's sole cost and

expense. As part of the Background Screening, Contractor must provide to a person designated by the City the name(s), address(es), and phone number(s) of all Contract Workers who will provide any services under this Agreement. All Contract Workers must comply with these Background Screening requirements. All Contract Workers must be able to provide proof of the legal right to work in the United States. The Background Screening provided by Contractor must comply with all applicable laws, rules, and regulations. Contractor further agrees that the Background Screening required in this Section is necessary to preserve and protect public health, safety, and welfare. The Background Screening requirements set forth in this Section are the minimum requirements for this Agreement. City in no way warrants that these minimum requirements are sufficient to protect Contractor from any liabilities that may arise out of Contractor's services under this Agreement or Contractor's failure to comply with this Section. Therefore, in addition to the specific measures set forth below, Contractor and its Contract Workers must take such other reasonable, prudent, and necessary measures to further preserve and protect public health, safety, and welfare when providing services under this Agreement.

- 2. Background Screening Requirements and Criteria.** Before offering or scheduling any services under this Agreement, Contractor agrees that all Contract Workers, including the Contractor, if the Contractor is an individual or sole proprietorship, must have successfully passed a Background Screening in accordance with this Section. Contractor warrants that no person will be permitted to substitute for a Contract Worker who has satisfied the Background Screening requirements until the proposed substitute has also satisfied the Background Screening requirements in this Section. For review and approval, Contractor must submit to a person designated by the City proof of a completed Background Screening for each Contract Worker over the age of 18 performing services under this Agreement no fewer than two (2) weeks before the proposed start date of such Contract Worker's services. The Background Screening must have been completed within the 12-month period preceding the Contract Worker's start date under this Agreement and must include the results of a national criminal databased check with source verification, and a sex offender database search.
- 3. Additional City Rights Regarding Security Inquiries.** In addition to the foregoing, City reserves the rights but not the obligations to: (1) have a Contract Worker be required to provide fingerprints and execute such other documentation as may be necessary to obtain criminal justice information pursuant to A.R.S. § 41-1750(G)(4); (2) act on newly acquired information whether or not such information should have been previously discovered; (3) unilaterally change its standards and criteria relative to the acceptability of Contract Workers; and (4) object, at any time and for any reason, to a Contract Worker performing work (including supervision and oversight) under this Agreement.
- 4. Contractor Certification.** By executing this Agreement, Contractor certifies that Contractor has read and understands the Background Screening requirements and criteria in this Section and will fully comply with such requirements. Contractor further certifies that any Background Screening information to be furnished to City related to Contractor or its Contract Workers will be complete, current, and accurate. A Contract Worker rejected for work under this Agreement will not be proposed to perform work under other City contracts or engagements without City's prior written approval.

- 5. Terms of This Section Applicable to all of Contractor's Contracts and Subcontracts.** Contractor must include the terms of this Section for Contract Worker Background Screening in all contracts and subcontracts for services furnished under this Agreement including, but not limited to, supervision and oversight services.
- 6. Materiality of Background Screening Requirements: Indemnity.** The Background Screening requirements of this Section are material to City's entry into this Agreement and any breach of this Section by Contractor will be deemed a material breach of this Agreement. In addition to the indemnity provisions set forth in this Agreement, Contractor must defend, indemnify, and hold harmless City for any and all Claims arising out of this Background Screening Section including, but not limited to, the disqualification of a Contract Worker by Contractor or City for failure to satisfy this Section.
- 7. Continuing Duty, Audit.** Contractor's obligations and requirements that Contract Workers satisfy this Background Screening Section will continue throughout the entire term of this Agreement. Contractor must notify City immediately of any change to a Background Screening of a Contract Worker previously accepted by City. Contractor must maintain all records and documents related to all Background Screenings and City reserves the right to audit Contractor's compliance with this Section under the terms of this Agreement.