

EMERGENCY SANITARY/ STORM SEWER JETTING SERVICES

EM25-ESSJ01

City of El Mirage
10000 N El Mirage Rd
El Mirage, AZ 85335



City of El Mirage
REQUEST FOR PROPOSAL
Emergency Sanitary/ Storm Sewer Jetting Services

- I. PROFESSIONAL SERVICES CONTRACT.....
- II. AGREEMENT
- III. EXHIBIT A

Attachments:

A - RIS_-_El_Mirage_Emergency_Sanitary_jetting_services (1)

1. PROFESSIONAL SERVICES CONTRACT

CITY OF EL MIRAGE

THIS PROFESSIONAL SERVICES CONTRACT, is made and entered into this _____ day of _____, 20____, by and between the City of El Mirage, an Arizona municipal corporation (“City”), and Riley Industrial Services INC a(n) Arizona Corporation (“Contractor”).

RECITALS

- A. The City of El Mirage is authorized and empowered by provisions of the City Code to execute contracts for professional services by and through its City Manager;
- B. The City desires to contract for Contractor to provide Emergency Sanitary/ Storm Sewer Jetting Services (“Services”) as described in the attached scope of work (Exhibit “A”) in accordance with the terms of this Contract;
- C. Contractor is duly qualified to perform the requested Services.

2. AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and obligations set for herein, the parties hereto agree as follows:

2.1. DESCRIPTION, ACCEPTANCE, DOCUMENTATION

Contractor shall act under the authority and approval of the Contract Administrator for the City to provide the Services required by this Contract. The Contract Administrator for the City shall be Scott Ketchmark, (Title) Utilities Superintendent, or designee. The Contract Administrator shall oversee the execution of this Contract, assist the Contractor in accessing the organization, audit billings, and approve payments. The Contractor shall channel reports and special requests through the Contract Administrator. City reserves the right to change the Contract Administrator for the City without prior approval of the Contractor.

2.2. SERVICE DESCRIPTION

Contractor shall provide the Services described in Exhibit "A." All work will be reviewed, evaluated, approved, and monitored by the Contract Administrator to determine acceptable completion. Review and approval by the Contract Administrator shall not relieve Contractor of any liability for improper, negligent or inadequate services rendered pursuant to this Contract. Contractor shall provide all work necessary to assure the Services are completed in a timely and efficient manner consistent with service requirements, including, but not limited to, working in close interaction with, and interfacing with, City and its designated employees, and working closely with others, including other consultants or contractors retained by City.

2.3. DOCUMENTATION AND DATA

All documents, including but not limited to, data compilations, studies, and reports which are prepared in the performance of this Contract are to be, and remain the property of, the City and are to be delivered to the Contract Administrator before final payment is made to the Contractor.

2.4. FEE SCHEDULE, RECORDS, AUDIT RIGHTS

The fee Contractor shall be paid for all Services provided pursuant to the terms of this Contract, inclusive of all expenses under this Contract, shall not exceed TBD.

The Contract Administrator reserves the exclusive right to determine the amount of work performed and payment due the Contractor on a monthly basis. Contractor shall maintain all books, paper documents, accounting records and other evidence pertaining to such monthly billings and shall make such materials available at all reasonable times to the Contract Administrator. Monthly billings shall be accompanied by such documentation as the Contract Administrator may require to make a determination of work performed and payment due.

Contractor's records (hard copy, as well as computer readable data) and any other supporting evidence deemed necessary by the City to substantiate charges and claims related to this Contract shall be open to inspection and subject to audit and/or reproduction by City's authorized representative to the extent

necessary to adequately permit evaluation and verification of cost of the work, and any invoices, change orders, payments or claims submitted by the Contractor or any of its payees pursuant to the execution of the Contract. The City's authorized representative shall be afforded access, at reasonable times and places, to all of the Contractor's records and personnel pursuant to the provisions of this article throughout the term of this contract and for a period of three years after last or final payment.

Contractor shall require all subcontractors, insurance agents, and material suppliers (payees) to comply with the provisions of this article by insertion of the requirements hereof in a written contract agreement between Contractor and payee. Such requirements will also apply to any and all subcontractors.

If any audit in accordance with this article discloses overcharges of any nature by the Contractor to the City in excess of one percent (1%) of the total contract billings, the actual cost of the City's audit shall be reimbursed to the City by the Contractor. Any adjustments and/or payments which must be made as a result of any such audit or inspection of the Contractor's invoices and/or records shall be made within a reasonable amount of time (not to exceed 90 days) from presentation of City's findings to Contractor.

2.5. ADDITIONAL SERVICES; PRICE ADJUSTMENT

The total Scope of Work to be performed by Contractor in accordance with this Contract is set forth herein and in Exhibit "A." Services not included in this Contract, including Exhibit "A," will be considered Additional Services. Contractor shall not perform any Additional Services without written authorization from the City. It shall be presumed that all Services performed/provided by Contractor were included in the Contract and contemplated by Contractor as being part of the original Scope of Work and the fees set forth herein, unless such Services have been separately approved by the City, in writing, as Additional Services. Contractor shall not be paid for any Additional Services that are not authorized by the City in writing.

2.6. OWNERSHIP

Upon receipt of payment for Services, Contractor grants to City, and shall cause its subcontractors to grant to City, the exclusive ownership of any and all copyrights, if any, to evaluations, reports, drawings, specifications, project manuals, surveys, estimates, reviews, minutes, and other intellectual work product as may be applicable ("Work Product"). This grant is effective whether the Work Product is on paper (e.g., a "hard copy"), in electronic format, or in some other form. Contractor warrants, and agrees to indemnify, hold harmless and defend City for, from and against any claim that any Work Product infringes on third-party proprietary interests. City may reuse the Work Product at its sole discretion. In the event the Work Product is used for another project without further consultations with Contractor, the City agrees to indemnify and hold Contractor harmless from any claim arising out of the Work Product. In such case, City will also remove any title block from the Work Product.

2.7. TERM AND EXTENSION

This Contract shall be in full force and effect only when approved and signed by City's City Manager as attested by the City Clerk. This Contract begins on the Effective Date and continues for (3) years to 03/02/2029, with an option to extend for an additional two-one year extensions.

2.8. TERMINATION

1. Termination for Cause

The City has the right to terminate this Contract for cause in the event Contractor materially breaches any provision of this Contract or portion of the Services and fails to remedy the breach within five (5) business days of notification of the breach, if the breach is remedial. If Contractor fails to remedy the breach or if the breach is not remedial, City may terminate this Contract for cause immediately upon written notice to Contractor. In the event the City terminates this Contract or any part of the Services as herein provided pursuant to this Section 1, the City shall notify the Contractor in writing, and immediately upon receipt of such notice, the Contractor shall discontinue all work under this Contract.

Upon termination for cause, Contractor shall immediately deliver to the City all drawings, research, data, studies, reports, estimates and any and all other documents or work product generated by the Contractor under the Contract, together with all unused material supplied by the City. Contractor shall be responsible only for such portion of the work which has been completed and accepted by the City. Use of incomplete data by the City shall be the City's sole responsibility.

In the event of termination for cause, Contractor shall only be compensated a portion of the agreed upon fee for such portion of the work that City agrees, in its sole discretion to accept. City shall have no obligation to accept any portion of Contractor's work if the contract is terminated for cause and shall have no obligation to pay Contractor for any portion of the work, if any, not accepted by City.

If the Contractor materially fails to fulfill in a timely and proper manner its obligations under this Contract, or if the Contractor violates any of the covenants, agreements, or stipulations of this Contract, the City may withhold from payment due to the Contractor such amounts as are necessary to protect the City's position for the purpose of set-off until such time as the exact amount of damages can be determined.

2. Termination for Convenience

The City has the right to terminate this Contract for convenience or to abandon any portion of the work for which Services have not been performed by the Contractor. In the event the City terminates this Contract or any part of the Services as herein provided pursuant to this Section 3.2.2, the City shall notify the Contractor in writing, and immediately upon receipt of such notice, the Contractor shall discontinue all work under this Contract.

Upon such termination for convenience or abandonment, the Contractor shall immediately deliver to the City all drawings, research, data, studies, reports, estimates and any and all other documents or work product generated by the Contractor under the Contract, together with all unused material supplied by the City. Contractor shall be responsible only for such portion of the work which has been completed and accepted by the City. Use of incomplete data by the City shall be the City's sole responsibility.

The Contractor shall receive as compensation in full for Services performed to the date of such

termination or abandonment, a fee for the percentage of Services actually completed and accepted by the City. This fee shall be in an amount to be mutually agreed upon by the Contractor and the City, based upon the scope of work set forth in Exhibit "A" and the payment schedule set forth in Article 2, hereof. If mutual agreement cannot be reached after reasonable negotiation, the Contract Administrator shall determine the percentage of satisfactory completion of each task set forth in the scope of work contained in Exhibit "A" and the amount of compensation Contractor is entitled to for such work and the Contract Administrator's determination in this regard shall be final. The City shall make such final payment within sixty (60) days after the Contractor has delivered the last of the partially completed items.

2.9. ENTIRE AGREEMENT

This Contract constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the Services specified herein. This Contract may not be modified or amended except by a written document, signed by authorized representatives of each party.

2.10. ARIZONA LAW

This Contract shall be governed and interpreted according to the laws of the State of Arizona. Any action brought to interpret or enforce any provision of this Contract that cannot be administratively resolved, or otherwise related to or arising from this Contract, shall be commenced and maintained in the state or federal courts of the State of Arizona, Maricopa County, and each of the parties, to the extent permitted by law, consents to jurisdiction and venue in such courts for such purposes.

2.11. COMPLIANCE WITH LAWS

Contractor shall comply with all existing and subsequently enacted federal, state and local laws, ordinances, codes, and regulations that are, or become applicable to this Contract. If a subsequently enacted law imposes substantial additional costs on Contractor, a request for an amendment may be submitted pursuant to this Contract.

2.12. MODIFICATIONS

Any amendment, modification or variation from the terms of this Contract shall be in writing and shall be effective only after approval of all parties signing the original Contract.

2.13. ASSIGNMENT

Services covered under this Contract shall not be assigned or sublet in whole or in part without the prior written consent of the Finance Director and Contract Administrator.

2.14. SUCCESSORS AND ASSIGNS

This Contract shall extend to and be binding upon Contractor, its successors and assigns, including any individual, company, partnership or other entity with or into which Contractor shall merge, consolidate or be liquidated, or any person, corporation, partnership or other entity to which Contractor shall sell its assets.

2.15. ATTORNEY'S FEES

In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Contract, or on account of any breach or default hereof, the prevailing party may be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses determined by the court sitting without a jury or arbitration board, which shall be deemed to have accrued on the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment or by arbitration award.

2.16. INDEPENDENT CONTRACTOR

The Services Contractor provides under the terms of this Contract to the City are that of an Independent Contractor, not an employee or agent of the City. The City will report the value paid for these Services each year to the Internal Revenue Service (I.R.S.) using Form 1099.

City shall not withhold income tax as a deduction from contractual payments. As a result of this, Contractor may be subject to I.R.S. provisions for payment of estimated income tax. Contractor is responsible for consulting the local I.R.S. office for current information on estimated tax requirements. Contractor will not be entitled to any benefits provided by City to its employees, including, but not limited to, health benefits, workers' compensation, unemployment coverage, deferred compensation, and all other typical employee benefits.

2.17. CONFLICT OF INTEREST

The City may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City's departments or agencies is, at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party to the Contract with respect to the subject matter of the Contract. The cancellation will be effective when written notice from the City is received by all other parties to the Contract, unless the notice specifies a later time (A.R.S. §38-511).

2.18. NOTICES

All notices or demands required to be given pursuant to the terms of this Contract shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of Contractor:

Riley Industrial Services Inc.
Attn: Nathaniel Engels
2615 San Juan Blvd.
Farmington, NM 87401

In the case of City
City of El Mirage

Attn: City Manager
10000 North El Mirage Road
El Mirage, Arizona 85335

With a copy to:
City of El Mirage
Attn: City Attorney
10000 North El Mirage Road
El Mirage, Arizona 85335

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

2.19. FORCE MAJEURE

Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.

2.20. TAXES

Contractor shall be solely responsible for any and all tax obligations which may result out of the Contractor's performance of this Contract. The City shall have no obligation to pay any amounts for taxes of any type incurred by the Contractor.

2.21. ADVERTISING AND PROMOTION

Contractor shall not publish, release, disclose or announce to any member of the public, press, official body, or any other third party: (1) any information concerning this Contract, the Services, or any part thereof; or (2) any documentation or the contents thereof, without the prior written consent of the City, except as required by law or judicial or regulatory process. The name of any site on which Services are performed shall not be used in any advertising or other promotional context by Contractor without the prior written consent of the City.

2.22. COUNTERPARTS

This Contract may be executed in one or more counterparts, and each originally executed duplicate counterpart of this Contract shall be deemed to possess the full force and effect of the original.

2.23. CAPTIONS

The captions used in this Contract are solely for the convenience of the parties, do not constitute a part of this Contract and are not to be used to construe or interpret this Contract.

2.24. SUBCONTRACTORS

During the performance of the Contract, the Contractor may engage such additional subcontractors as may be required for the timely completion of this Contract. The addition of any subcontractors shall be

subject to the prior approval of the City.

In the event of subcontracting, the sole responsibility for fulfillment of all terms and conditions of this Contract rests with the Contractor.

2.25. INDEMNIFICATION

The Contractor agrees, to the fullest extent permitted by law, to indemnify and hold harmless the City, its officers, directors and employees (collectively, City) against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by the Contractor's negligent performance of professional services under this Contract and that of its subcontractors or anyone for whom the Contractor is legally liable.

The City agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Contractor, its officers, directors, employees and subcontractors (collectively, Consultant) against all damages, liabilities or costs, including reasonable attorney's fees and defense costs, to the extent caused by the City's negligent acts in connection with the Services and the acts of its contractors, subcontractors or consultants or anyone for whom the City is legally liable.

Neither the City nor the Contractor shall be obligated to indemnify the other party in any manner whatsoever for the other party's own negligence or for the negligence of others.

2.26. INSURANCE

The Contractor shall secure and maintain at all times that this Contract is in effect, insurance coverage which shall include statutory workers' compensation, comprehensive general and automobile liability, owner's and Contractor's protective liability insurance and errors and omissions professional liability. The comprehensive general and automobile liability limits shall be no less than one million dollars (\$1,000,000) combined single limit. The owner's and Contractor's protective liability limits shall be no less than one million dollars (\$1,000,000) for each occurrence and one million dollars (\$1,000,000) policy aggregate naming the City as an additional insured. The minimum amounts of coverage for Contractor's professional liability shall be one million dollars (\$1,000,000). In other than errors and omissions professional liability, City's and Contractor's protective liability and worker's compensation, the City of El Mirage shall be named as an additional insured.

All insurance coverage shall be written through a carrier licensed in Arizona, or an approved non-admitted list of carriers published by the Arizona Department of Insurance, and possessing an A.M. Best rating of at least A- or above with policies and forms satisfactory to the City.

The Contractor shall submit to the City a certificate of insurance evidencing the coverage and limits stated in the foregoing paragraph within ten (10) days of award of this Contract. City shall not issue a "Notice to Proceed" until after Contractor has submitted the certificate of insurance to City. Insurance evidenced by the certificate shall not expire or be canceled or materially changed without thirty (30) days prior written notice to the City, and a statement to that effect must appear on the face of the certificate and the certificate shall be signed by a person authorized to bind the insurer.

The insurance policies, except Workers' Compensation required by this Contract, shall name the City, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

2.27. COOPERATIVE PURCHASING

While this Contract is for the City of El Mirage, other public agencies and political subdivisions may express interest in utilizing the Contract. In addition to the City of El Mirage, and with approval of the Contractor, this Contract may be extended for use by other eligible public agencies (i.e. municipalities, school districts, nonprofit educational institutions, public health institutions, community facilities districts, and government agencies of the State). Eligible public agencies may elect to utilize the contract through cooperative purchasing (or piggybacking) on the contract and do so at their discretion. No volume is implied or guaranteed, and the Contractor must be in agreement with the cooperative transaction. The Strategic Alliance for Volume Expenditures (SAVE), a group of school districts and other public agencies, have signed an intergovernmental cooperative purchase agreement to obtain economies of scale. As a member of SAVE, the City of El Mirage will act as the lead agency. Any such usage by other participating public agencies must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective public agency. Potential participating public agencies (i.e. municipalities, school districts, nonprofit educational institutions, public health institutions, community facilities districts, and government agencies of the State) recognize potential equipment, logistical and capacity limitations by the Contractor may limit the Contractor's ability to extend use of this Contract. Any orders placed to the Contractor will be placed by the specific public agency participating in this purchase, and payment for purchases made under this Contract will be the sole responsibility of each participating public agency. The City of El Mirage shall not be responsible for any disputes arising out of transactions made by others.

2.28. FEDERAL AND STATE EMPLOYMENT IMMIGRATION LAWS

To the extent applicable under A.R.S. § 41-4401, Contractor warrants its and its subcontractors' compliance with all federal immigration laws and regulations that relate to their compliance with the E-verify requirements under A.R.S. § 23-214(A). Contractor's or its subcontractors' breach of the above-mentioned warranty shall be deemed a material breach of the Contract and may result in the termination of the Contract by the City. The City retains the legal right to randomly inspect the papers and records of Contractor and its subcontractors to ensure that the Contractor and its subcontractors are complying with the above-mentioned warranty.

The Contractor warrants to keep the papers and records open for random inspection during normal business hours by the City. The Contractor shall cooperate with the City's random inspections including granting the City entry rights to Contractor's property to perform the random inspections and waiving its right to keep such papers and records confidential. The failure of Contractor to comply with this warranty regarding the keeping of papers and records and cooperating with City's random inspections shall constitute a material breach of the Contract and the City will have the right to immediately terminate the Contract.

2.29. SEVERABILITY

If any term or provision of this Contract shall be found to be illegal or unenforceable, then notwithstanding such illegality or unenforceability, this Contract shall remain in full force and effect and such term or provision shall be deemed to be deleted.

3. EXHIBIT A

SCOPE OF SERVICES

The selected Contractor shall furnish all **labor, equipment, tools, materials, transportation, and incidentals** necessary to perform emergency sewer and storm sewer jetting services. Tasks may include, but are not limited to, the following:

Minimum Service Requirements

- **Two-hour on-site response time** from the time of City notification.
- Inspection of **upstream and downstream manholes** to determine blockage location.
- Jetting of **sewer trunk lines, collector mains, and interceptor mains** to remove obstructions.
- Clearing debris and **spraying down affected manholes**.
- Providing **traffic control**, if necessary, in accordance with local regulations.
- Proper collection, hauling, and disposal of **septage and jetting byproducts** in accordance with applicable laws.

Additional Requirements

- Work must be performed in compliance with **all applicable federal, state, and local regulations**, including OSHA standards.
- The Contractor will be asked to provide job-specific estimates based on their **pre-established fee schedule**.
- Materials not listed in the fee schedule may be used with **City pre-approval**.
- Contractor personnel must maintain professional conduct and wear **identifiable company uniforms**.
- Contractor shall coordinate with the City's representative at all times

SEVERABILITY

If any term or provision of this Contract shall be found to be illegal or unenforceable, then notwithstanding such illegality or unenforceability, this Contract shall remain in full force and effect and such term or provision shall be deemed to be deleted.

SIGNATURE

J. Crystal Dyches

FULL NAME

DATE SIGNED

City Manager

TITLE

SIGNATURE

FULL NAME

DATE SIGNED

City Attorney

TITLE

SIGNATURE

FULL NAME

DATE SIGNED

Contractor

TITLE

SIGNATURE

Jill A. Boltz

FULL NAME

DATE SIGNED

City Clerk

TITLE

Exhibits List

A - RIS_-_El_Mirage_Emergency_Sanitary_jetting_services (1)

Exhibit A

RIS_-

_El_Mirage_Emergency_Sanitary_jetting_services

(1)



PLANT LOCATION
2615 SAN JUAN BLVD FARMINGTON, NM 87401
PHONE (505) 327-4947

MAILING ADDRESS
P.O. BOX 2014 FARMINGTON, NM 87499
FAX (505) 326-0305

January 15, 2026

City of El Mirage, AZ

Re: EM25 – ESSJ01 – Emergency Sanitary/ Storm Sewer Jetting Services

Riley Industrial Services Company Information:

Riley Industrial Services, Inc. has been under the same continuous ownership and management for over 55 years. Riley Industrial Services Inc. was established in 1970 by founder and president G.W. “Sonny” Riley. We are a third-generation family-owned and operated corporation. This three-generation family-owned and operated corporation includes sons George W. Riley III, Glen Riley and Gary Riley as officers, Alicia McCuller, Amy Riley, Chris Riley, Brandon Riley, and G.W. Riley IV. From the outset, the company has enjoyed consistent growth. Riley Industrial continues to differentiate themselves from others through quality service and workmanship, modern and well-maintained equipment, trained and experienced personnel, and the unique ability to respond to their customers’ needs in emergency situations or just in the normal course of daily business. Riley Industrial’s long-standing and loyal customer base is a testimony to their success.

We are licensed in Arizona, Colorado, Idaho, Montana, Nebraska, Nevada, New Mexico, Texas, Utah and Wyoming.

Riley currently employees 450 personnel.

Location of Offices:

- Farmington, NM (Primary office)
- Carlsbad, NM
- Lubbock, TX
- Odessa, TX
- El Mirage, AZ
- Show Low, AZ
- Safford, AZ

Mission Statement:

To provide the best service possible at the most competitive price, always with integrity and never sacrificing safety.

At Riley Industrial Services, safety is the key and main mindset to all of our projects and endeavors. With the combined experience of our management, safety and leadership personnel, we ensure that our customer always received safe and efficient services. Written Job Hazard Assessments are performed at all work sites, daily, without exception. All hazards and operational parameters are taken into account and evaluated, before any work will start.

Communication will be established with the site client, before work ever starts and all parties will be in complete communication, starting from the first call out notification until the completion of the scope of work and assigned tasks. If issues are discovered, they are immediately brought to the attention of the site client and also documented in accordance with The City of Tempe's policies and guidelines.

Riley Industrial Services utilizes a computerized system to compose and track the Daily Time Reports for each day on each job. This system enables Riley to provide our customer, in this case the City of Tempe, with accurate and timely time reports and invoicing.

We firmly believe that all customers, whether it is a small 2-man crew or a large 60-man crew, carry the same importance and deserve the same respect and honesty. This belief is carried thru the company and is held by all employees, management to the newest helper. It is this belief that enables us to place our customer's needs, expectations and priorities in a very high priority. The only thing that will ride above this priority is the safety of our employees and the wellbeing of their families.

Qualifications and Experience:

Riley Industrial has been in the municipal sewer/storm system jetting business for 46 years. The El Mirage office located at 12555 West Butler Dr. will be the Riely office that will service this contract. Riley has 16 jetting employees located at our El Mirage Office and 56 jetting employees' company wide. Riley can have available four 2-man crews for emergency call out.

Riley Industrial will dedicate the necessary equipment, and trained personnel, to ensure that the needs and directions of the customer and the documented scope of work is performed in a safe and efficient manner, resulting in a high-quality job. All calls for service will be placed in priority, with emergency services given the highest priority. Crews will be dispatched in a timely manner, while communications are established with the site facility and its representatives, to ensure that all needs are met and that the scope of work is completed as quickly as possible

Riley Industrial currently has contracts with the following municipals:

- City of Farmington, NM
- Arizona Department of Transportation
- City of Lubbock, TX
- Maricopa Department of Transportation.

- San Juan County, NM
- City of Tempe, AZ

Riley estimates the following response times:

- Working Hours = 1 to 2 hours
- Overnight Hours = 2 to 3 hours
- Weekend Hours = 2 to 3 hours
- Holiday Hours = 2 to 3 hours

References:

City of Tempe – Water Utilities Division
Derek Wall – Environmental Programs Specialist
C: 480.250.5328 O: 480.350.8239
Email: Derek_Wall@tempe.gov

City of El Mirage
Scott Ketchmark - Utilities Superintendent
C: 623.518.0412 O: 623.876.4261
Email: Sketchmark@Elmirage.gov

Maricopa County
Mark Sanchez - Civil Engineering Specialist
C:602.679.1490 O:602.506.9369 Ext: 69369
Email: Mark.sanchez@maricopa.gov

Arizona Department of Transportation
Justin Brooks - Urban Pumphouse Supervisor
C: 602.615.0397 O: 602.712.3826
Email: jbrook@azdot.gov
Timothy Mitchell - Highway Ops Supervisor
C: 928.285.8616 O: 928.927.6311
Email: tmitchell@azdot.gov

Service Rates:

<u>Hourly Labor Rates:</u>	<u>Standard Time</u>	<u>Overtime</u>	<u>Holiday</u>
Project Manager	\$75.00	\$112.50	\$150.00
Foreman	\$65.00	\$97.50	\$130.00
Operator	\$55.00	\$82.50	\$110.00
Helper	\$40.00	\$60.00	\$80.00

Note: Overtime is defined as any time worked (or travel) over 10 hours per day Monday – Thursday and any time worked on Friday, Saturday, or Sunday. Any holiday work is charged at two times the standard rate.

Equipment:

Support Truck	\$15.00/hour
CCTV Van	\$100.00/hour
GapVac Combo Truck	\$175.00/hour
Jetter Trailer	\$95.00/hour
Pressure wash unit	\$15.00/hour
5,000-gallon tanker	\$85.00/hour

Note: Any other equipment requested will be invoiced per our 2026 Price List. Because of the unstable fuel prices that exist, an applicable fuel surcharge (FSC) will need to be added to invoices based on the current cost of fuel.

Material:

Misc. Sundries & PPE	\$30.00/man/day
Water	\$0.05/gallon

Disposal Fees:

Working	\$ 0.42/gallon
Overnight	\$ 0.52/gallon*
Weekend	\$ 0.52/gallon*
Holiday	\$ 0.52/gallon*

*Waste from overnight, weekends, and holidays will be store inside of Riley’s trucks and disposed of during the next working day.

Traffic Control – Excluded (city to manage traffic control)

**ADDITIONAL REMARKS SCHEDULE**

AGENCY HUB International Insurance Services (SOW)		License # 0757776	NAMED INSURED Riley Industrial Services, Inc. PO Box 2014 Farmington, NM 87499
POLICY NUMBER SEE PAGE 1			
CARRIER SEE PAGE 1	NAIC CODE SEE P 1	EFFECTIVE DATE: SEE PAGE 1	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Description of Operations/Locations/Vehicles:

City of El Mirage is included as Additional Insured with regard to the General Liability (Ongoing & Completed Operations) and Auto Liability policies on a Primary and Non-Contributory basis as required by written contract with Named Insured. Waiver of Subrogation in favor of Additional Insured with regard to the General Liability, Auto Liability and Workers Compensation policies as required by written contract with Named Insured. Excess Liability on a follow form basis that extends coverage over General Liability, Pollution Liability, Automobile Liability, and Employer's Liability.

NATIONAL AMERICAN INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - OWNERS, LESSEES OR
CONTRACTORS - WITH PRODUCTS-COMPLETED
OPERATIONS COVERAGE - AUTOMATIC STATUS WHEN
REQUIRED IN A WRITTEN CONTRACT**

It is understood and agreed that this endorsement amends the **COMMERCIAL GENERAL LIABILITY COVERAGE PART** as follows:

- A. Section II - Who Is An Insured** is amended to include as an additional insured any person or organization whom you are required by "written contract" to add as an additional insured on this Coverage Part.
- B.** The insurance provided to the additional insured is limited as follows:
1. The person or organization is an additional insured only with respect to liability for "bodily injury," "property damage," or "personal and advertising injury" caused in whole or in part by:
 - a. Your acts or omissions, or the acts or omissions of those acting on your behalf, in the performance of your ongoing operations specified in the "written contract"; or
 - b. "Your work" specified in the "written contract" but only for "bodily injury," "property damage," or "personal and advertising injury" included in the "products-completed operations hazard;" but only if the "written contract" requires you to provide the additional insured such coverage and this Coverage Part otherwise provides such coverage.

However, if the "written contract" specifically requires you to obtain additional insured coverage for another party, person or entity described or identified in the "written contract" for "bodily injury" "property damage", or "personal and advertising injury" arising out of your ongoing operations described in 1.a. or "your work" described in 1.b., or arising out of both your ongoing operations described in 1.a. and "your work" described in 1.b., then in paragraph **B.1.** above, the words 'caused in whole or in part by' are replaced by the words 'arising out of '.
 2. The insurance provided to the additional insured is subject to all of the terms, provisions, conditions and exclusions of this policy and applies only to the extent permitted by applicable law. We will not provide the additional insured any higher limit of insurance than:
 - a. That required by the "written contract"; or
 - b. That afforded to you under this policy, whichever is less.
 3. Notwithstanding anything to the contrary in Condition **4. Other Insurance** (Section **IV**), this insurance is excess of all other insurance available to any additional insured whether on a primary, excess, contingent or any other basis. But if required by the "written contract" to be primary and non-contributory, this insurance will be primary and non-contributory, but only with respect to insurance on which the additional insured is a Named Insured.
 4. The insurance provided to the additional insured does not apply to "bodily injury," "property damage," or "personal and advertising injury" arising out of:
 - a. The rendering of, or the failure to render, any professional, architectural, engineering, or surveying services, including but not limited to:
 - (1) The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(2) Supervision, inspection, quality control, architectural or engineering activities; or

- b. Any location or work for which the additional insured is specifically listed as an additional insured, by name, on another endorsement attached to this Coverage Part.

C. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS is amended as follows:

1. The **Duties In The Event of Occurrence, Offense, Claim or Suit** condition is amended to add the following additional conditions applicable to the additional insured:

An additional insured under this endorsement will as soon as practicable:

- (1) Give us written notice of an "occurrence" or an offense which may result in a claim or "suit" under this insurance, and of any claim or "suit" that does result;
- (2) Provide notice of such an "occurrence" or offense to any other insurance carrier the additional insured has for a loss we may cover under this Coverage Part and provide us with proof of such notice;
- (3) Send us copies of all legal papers received, and otherwise cooperate with us in the investigation, defense, or settlement of the claim or "suit"; and
- (4) Tender the defense and indemnity of any claim or "suit" to any other insurer or self insurer whose policy or program applies to a loss we may cover under this Coverage Part. But if the "written contract" requires this insurance to be primary and non-contributory, this provision (4) does not apply to insurance on which the additional insured is a Named Insured.

We have no duty to defend or indemnify an additional insured under this endorsement until we receive from the additional insured written notice of a claim or "suit," and the additional insured has satisfied all of the above conditions.

- D. Only for the purpose of the insurance provided by this endorsement, **SECTION V - DEFINITIONS** is amended to add the following definition:

"Written contract" means a written contract or written agreement that requires you to make a person or organization an additional insured on this Coverage Part, provided the contract or agreement:

1. Is currently in effect or becomes effective during the term of this policy; and
2. Was executed prior to:
 - a. The "bodily injury" or "property damage"; or
 - b. The offenses that caused the "personal and advertising injury,"

for which the additional insured seeks coverage under this Coverage Part.

All other terms and conditions of the Policy remain the same.

NATIONAL AMERICAN INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US - AUTOMATIC STATUS WHEN
REQUIRED IN A WRITTEN CONTRACT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is agreed that this policy is hereby amended as indicated. All other terms and conditions of this policy remain unchanged.

It is agreed that notwithstanding anything to the contrary in Paragraph 8 of COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV), TRANSFER

OF RIGHTS OF RECOVERY AGAINST OTHERS TO US, in the event of any payment under this policy, we waive our right to recovery against any person or organization for whom the insured is operating under a written contract when such contract requires a waiver of subrogation.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NONCONTRIBUTORY - OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) The additional insured is a Named Insured under such other insurance; and

- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Construction Project(s): ALL PROJECTS
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage **A**, and for all medical expenses caused by accidents under Section I - Coverage **C**, which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
 - 1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
 - 2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C** regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
- 3.** Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.
- 4.** The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.

Named Insured: **RILEY INDUSTRIAL**
Endorsement Effective: **5/01/2025**

- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage **A**, and for all medical expenses caused by accidents under Section I - Coverage **C**, which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
 2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.
- C.** When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Construction Project General Aggregate Limit.
- D.** If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- E.** The provisions of Section III - Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

NATIONAL AMERICAN INSURANCE COMPANY
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
ADDITIONAL INSURED ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTO COVERAGE PART
TRUCKERS COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

NAMED INSURED: **RILEY INDUSTRIAL**

ENDORSEMENT NO.:

POLICY NUMBER: **OP53511030**

ISSUE DATE: **05/01/2025**

SCHEDULE

Name of Person or Organization:

AUTOMATIC STATUS WHEN REQUIRED BY WRITTEN CONTRACT

To the extent that the person(s) or organization(s) shown in the schedule is liable for the conduct of an "insured" arising out of the ownership, maintenance or use of a covered auto under the above policy, they are also "insureds" but only to the extent of that liability."

All other terms and conditions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US (WAIVER OF SUBROGATION) -
AUTOMATIC WHEN REQUIRED BY WRITTEN
CONTRACT OR AGREEMENT**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The Transfer Of Rights Of Recovery Against Others

To Us Condition does not apply to any person(s) or organization(s) for whom you are required to waive subrogation with respect to the coverage provided under this Coverage Form, but only to the extent that subrogation is waived:

- A.** Under a written contract or agreement with such person(s) or organization(s); and
- B.** Prior to the "accident" or the "loss".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NONCONTRIBUTORY - OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** The following is added to the **Other Insurance Condition** in the Business Auto Coverage Form and the **Other Insurance - Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form and supersedes any provision to the contrary:
- This Coverage Form's Covered Autos Liability Coverage is primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:
1. Such "insured" is a Named Insured under such other insurance; and
 2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".
- B.** The following is added to the **Other Insurance Condition** in the Auto Dealers Coverage Form and supersedes any provision to the contrary:
- This Coverage Form's Covered Autos Liability Coverage and General Liability Coverages are primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:
1. Such "insured" is a Named Insured under such other insurance; and
 2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".

NATIONAL AMERICAN INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTAMINATION OR POLLUTION COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following provisions are added to Section I, Coverage A in our reliance of the accuracy of your statements that all oil and oil-related operations have the necessary dikes and all environmental safeguards as required by governmental laws, statutes and regulations pertaining to the operations.

(1) LIMITED POLLUTION COVERAGE:

Exclusion f. under Paragraph 2., **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

(1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants."

This exclusion does not apply to that portion of any "bodily injury" or "property damage" which is caused by a "pollution incident", and which is less than the limits of insurance set forth below in this endorsement, but **only** if the following conditions are met:

(a) The commencement time and date of

such "pollution incident" can be identified with certainty, and such "pollution incident" commences at a specific time and date during the policy period;

(b) Such "pollution incident" is an accident and unintentional release, discharge, emission or escape of "pollutants," is sudden and accidental and is neither expected nor intended by any insured;

(c) Such "pollution incident" is not a repeat or resumption of a previous discharge, dispersal, release or escape of the same "pollutants" from essentially the same source within twelve (12) months of a previous discharge, dispersal, release or escape;

(d) Such "bodily injury" or "property damage" is not caused or contributed to in any degree by any "pollution incident" that commenced prior to the beginning of the Policy Period shown in the Declarations;

(e) Such "pollution incident" is discovered or otherwise becomes known to you within thirty (30) days of its commencement and is reported to us in writing within thirty (30) days after you first obtain knowledge of the "pollution incident"; and

(f) Such "pollution incident" does not result from or is not contributed to by your failure to comply with any government statute, rule, regulation, or order.

(2) LIMITS FOR POLLUTION COVERAGE:

The most we will pay for liability because of covered "bodily injury" and "property damage" caused by one or more "pollution incidents" shall not be greater than the following limits of insurance:

Combined "Bodily Injury"
and "Property Damage"

\$ 1,000,000 Limit per "Pollution Incident"

"Pollution Incident"
 Aggregate Limit per Annual
 Policy Period
\$ 1,000,000

Amount of deductible per
 "Pollution Incident"
\$ 1,000

For the purpose of mitigating further "bodily injury" or "property damage" caused by a covered "pollution incident," \$ 1,000,000 may be applied to costs or expenses incurred by any insured for cleaning up, removing or containing a covered "pollution incident" on that particular part of real property upon which the operations of the insured are conducted. This amount shall not be in addition to the limits set forth in this endorsement, but such amounts shall reduce such applicable limits.

(3) DEDUCTIBLE:

- (a) Our obligation to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated above as applicable to such coverages, and the limits of insurance applicable to each "occurrence" for such coverages will not be reduced by the amount of such deductible. Aggregate limits for such coverages shall also not be reduced by the application of such deductible amount.
- (b) The deductible amount stated applies respectively to all damages because of "bodily injury" and "property damage" as the result of any one "pollution incident," regardless of the number of persons or organizations who sustain damage because of that "pollution incident."
- (c) We may pay any part or all of the deductible amount to effect settlement of any claims or "suit" and, upon notification of the action taken, you will promptly reimburse us for such part of the deductible amount as has been paid by us.

(4) NON-EXTENSION OF COVERAGE:

The only coverage under this policy for liability in any way relating to, or caused by, any "pollution incident" is that which is set forth in this endorsement.

(5) "POLLUTION INCIDENT" AGGREGATE LIMIT:

The "Pollution Incident" Aggregate Limit is the most we will pay for the sum of all liability because of "bodily injury" and "property damage" caused by all "pollution incidents" subject to such aggregate limit. The Combined "Bodily Injury"

and "Property Damage" Limit Per "Pollution Incident" is the most we will pay for the sum of all liability because of "bodily injury" and "property damages" caused by any one "pollution incident."

Each payment we make for liability due to "bodily injury" and "property damage" and/or due to defense expense related thereto reduces the "Pollution Incident" Aggregate Limit by the amount of such payment. This reduced limit will then be the Amount of Insurance. When this limit is used up, we shall have no further obligation to defend claims or "suits" seeking such damages or pay such damages or defense expense.

The coverage provided by this endorsement does not apply to:

- A. Damages claimed by any "Co-Owner of the Working Interest"; or
- B. Coverage B. Personal Injury and Advertising Expense.

DEFINITIONS

All provisions of the POLICY DEFINITIONS portion of this insurance remain unchanged except as modified by the following:

- (6) For purposes only of the coverages addressed in this endorsement, the definition of "property damage" is replaced with the following:

"Property Damage" means:

- (a) Physical Injury to, destruction of, or contamination of tangible property, including all resulting loss of use of that property; or
- (b) Loss of use of tangible property that is not physically injured, destroyed or contaminated but has been evacuated, withdrawn from use or rendered inaccessible because of a "pollution incident."
- (c) Any loss, cost, or expense which you become legally obligated to pay, provided that you receive notice asserting such obligation during the policy period or within 30 days thereafter, and provided further that such loss, cost or expense arises out of:
 - 1. A request, demand or order that any insured or others test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants;" or
 - 2. A claim or legal proceeding by or on behalf of a governmental authority for

payments because of testing for, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants."

"Pollution Incident" means an "occurrence" consisting of any actual emission, discharge, release, or escape of pollutant into or upon land, the atmosphere, or any watercourse or body of water, provided that such emission, discharge, release or escape results in "environmental damage." The entirety of any such actual emission, discharge, release or escape shall be deemed to be one "pollution incident."

"Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste and saline substances. Waste includes materials to be recycled, reconditioned or

reclaimed.

"Co-Owner of the Working Interest" means any person or organization who is, with you, a co-owner, joint venturer or mining partner in mineral properties who:

- (a) Participates in the operating expense of such properties; or
- (b) Has the right to participate in the control, development or operation of such properties.

"Environmental Damage" means any injurious presence actually in or upon land, the atmosphere, or any watercourse or body of water of solid, liquid, gaseous or thermal contaminants, irritants or "pollutants."

**ALL OTHER TERMS AND CONDITIONS
REMAIN THE SAME.**

THIS ENDORSEMENT DESCRIBES COVERAGE FOR CERTAIN SPECIFIED PERILS, CAUSES OR CIRCUMSTANCES UNDER THE POLICY. PLEASE READ IT CAREFULLY.

OIL AND GAS OPERATIONS COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

Schedule

- Blowout and Cratering Hazard**
- Underground Resources and Equipment**

- Saline Substance Contamination Hazard**
- Pollution Incident**

- I. It is hereby understood and agreed that this policy provides insurance limited to \$ 5,000,000 in excess of \$1,000,000 (the "limits") per occurrence and in the aggregate for loss, injury, or ~~damage~~ caused by, arising from, or related to the coverages listed in the above schedule, **subject to the following conditions:**
- A. The specific coverage listed in the above schedule is marked with an (x); **and**
 - B. The "controlling underlying insurance" listed in Schedule of Controlling Underlying Insurance provides insurance for the specific coverage listed in the above schedule.
- II. For purposes of this insurance, the coverages listed in the above schedule have the following meanings:
- A. "Blowout and Cratering Hazard"
 - 1. "Blowout and cratering hazard" includes damage to property located on or above the surface of the earth contributed to or resulting from the "blowout" or "cratering" of any well.
 - 2. "Blowout" means a sudden and uncontrolled expulsion from the well above the earth's surface of oil, gas, water or drilling fluid resulting in loss of control of the well.
 - 3. "Cratering" shall be defined as the action caused by the erosive and eruptive action of air, gas, oil or water flowing upward through the earth's surface under and around a rig and resulting in the forming of a basin-like opening in the earth's surface known as a "crater."
 - B. "Underground Resources and Equipment."

Underground resources include any loss or damage to any of the following:

 - 1. Oil, gas, water, or other mineral substances which have not been reduced to physical possession above the surface on the earth or above the surface of any body of water;
 - 2. Any well, hole formation, strata, or area in or through which exploration for or production of any substance is carried on; or
 - 3. Any casing, pipe, bit, tool, pump, or other drilling or well servicing machinery or equipment located beneath the surface of the earth in any such well or hole or beneath the surface of any body of water.
 - C. "Saline Substance Contamination Hazard."

"Saline Substances Contamination Hazard" includes damage to any of the following wherever located:

 - 1. Oil, gas, water or other mineral substance, if the damage is caused directly or indirectly by a saline substance; or

2. Any other property.

- D. "Bodily injury" or "property damage", as defined in the scheduled underlying policy, which is caused by a "pollution incident."

A "pollution incident" means an "occurrence" consisting of any actual emission, discharge, release, or escape of "pollutant" into or upon land, the atmosphere, or any water course or body of water, provided that such emission, discharge, release or escape results in "environmental damage." The entirety of any such actual emission, discharge, release or escape shall be deemed to be one "pollution incident."

"Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste and saline substances. Waste includes materials to be recycled, reconditioned or reclaimed.

"Environmental Damage" means any injurious presence actually in or upon land, the atmosphere, or any watercourse or body of water of solid, liquid, gaseous or thermal contaminants, irritants or "pollutants."

Except to the extent of the "limits" specified above, this policy excludes coverage for and provides no insurance for loss, damage, or injury caused by, arising from, or related to the above described perils, causes, or circumstances.

We and you agree that there is no coverage under this policy for the above described losses related to the above specified perils, causes, or circumstances unless they are also covered by the scheduled underlying policies.

We and you further agree that we would not ordinarily provide excess insurance for the above described losses, damage, or injury caused by, arising from, or related to the specified perils, causes, or circumstances, but We have agreed that You have purchased coverage therefore subject to the "limits" specified above in excess of \$1,000,000 per occurrence and in the aggregate.