

**CONTRACT FOR SERVICES
FOR THE CITY OF FLAGSTAFF**
Contract No. 2021-15

This Contract is entered into this ____ day of _____, 2020 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City"), and Markit! Forestry Management, LLC, ("Contractor").

WHEREAS, the City desires to receive, and Contractor is able to provide services;

NOW THEREFORE, in consideration for the mutual promises contained herein, the parties agree as follows:

1. Scope of Work: Contractor shall provide the services generally described as follows:

SLASH MANAGEMENT

and as more specifically described in the Scope of Work attached hereto as Exhibit A and the Maps and Specifications.

2. Compensation: The Contractor shall be compensated **four hundred sixty-three thousand sixty dollars (\$463,060.00)** for work performed under the Bid schedule, work performed under purchase order section identified in the Scope of Work attached hereto as Exhibit A. Payment shall be compensation in full for all terms necessary to provide a complete project with respect to each Bid item, purchase order, or amendment to the project.
3. Standard Terms and Conditions: The City of Flagstaff Standard Terms and Conditions, attached hereto as Exhibit B are hereby incorporated in this Contract by reference and shall apply to performance of this Contract, except to the extent modified in Exhibit A.
4. Insurance: Contractor shall meet Insurance Requirements of the City as set forth in Exhibit C.
5. Grant Provisions: Contractor shall meet the Grant Provisions in Grant Number 19-CS-11030408-025 as set forth in Exhibit D.
6. Contract Term: Scope of Work to be completed in four months.
7. Renewal: This Contract may be renewed or extended for up to two (2) additional one (1) one-year terms by mutual written consent of the parties. The City Manager or his designee (the Purchasing Director) shall have authority to approve renewal on behalf of the City.
8. Notice: Any formal notice required under this Contract shall be in writing and sent by certified mail and email as follows:

To the City:

Emily Markel
Senior Procurement Specialist
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, AZ 86001
emarkel@flagstaffaz.gov

To Contractor:

Bryan Zebrowski
Regional Operations Manager
Markit! Forestry Management LLC
3370 Chuckwagon Road
Colorado Springs, CO 80919
bryanzebrowski@markitforestry.com

With a copy to:

Neil Chapman
Forest Health Supervisor
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, Arizona 86001
Neil.chapman@flagstaffaz.gov

With a copy to:

Stacey Brechler-Knaggs
Grants & Contracts Manager
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, Arizona 86001
sknaggs@flagstaffaz.gov

9. Authority: Each party warrants that it has authority to enter into this Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into this Contract.

CONTRACTOR

Print name: _____

Title: _____

CITY OF FLAGSTAFF

Print name: _____

Title: _____

Attest:

City Clerk

Approved as to form:

City Attorney's Office

EXHIBIT A

SCOPE OF WORK

Bids:

- Slash Management estimates should include separate bids for each cut unit
 - Cut unit (INCLUDES NUMBER) estimate should combine both slash removal and landing close out costs
- Include separate estimates for:
 - Shultz Pass Staging Area site prep
 - Shultz Pass Landing Close Out
 - AZ Trail/Road Decommission
 - Cost per-blade for Shultz Pass Rd from the lower gate to the staging area
 - Culvert work if needed for nontraditional transport vehicle use on Shultz Pass Rd

Slash Management:

- Slash shall be moved from the following (CUT UNITS) locations, in order of priority, to the Staging Area as agreed upon with a City of Flagstaff representative - H4, Unit 49, 47, 46, 45, 44, 41, 37, 30, 29.
- Slash must be piled in a manner that does not prohibit the work of any other activities and is in an organized manner.
- Slash shall be completely suspended from the ground when transported from the landing to staging area.
- Piles shall not exceed 30.0 feet in height unless otherwise agreed upon in writing with a City of Flagstaff representative.
- Piles shall not be stacked against the bole of residual trees, against rock outcrops or existing downed logs.
- Loading and offloading procedures shall not contribute to any excessive traffic congestion or stoppages.

All driving, loading, processing, and unloading practices should be in a manner that causes the least amount of resource damage. Any damage that occurs because of the

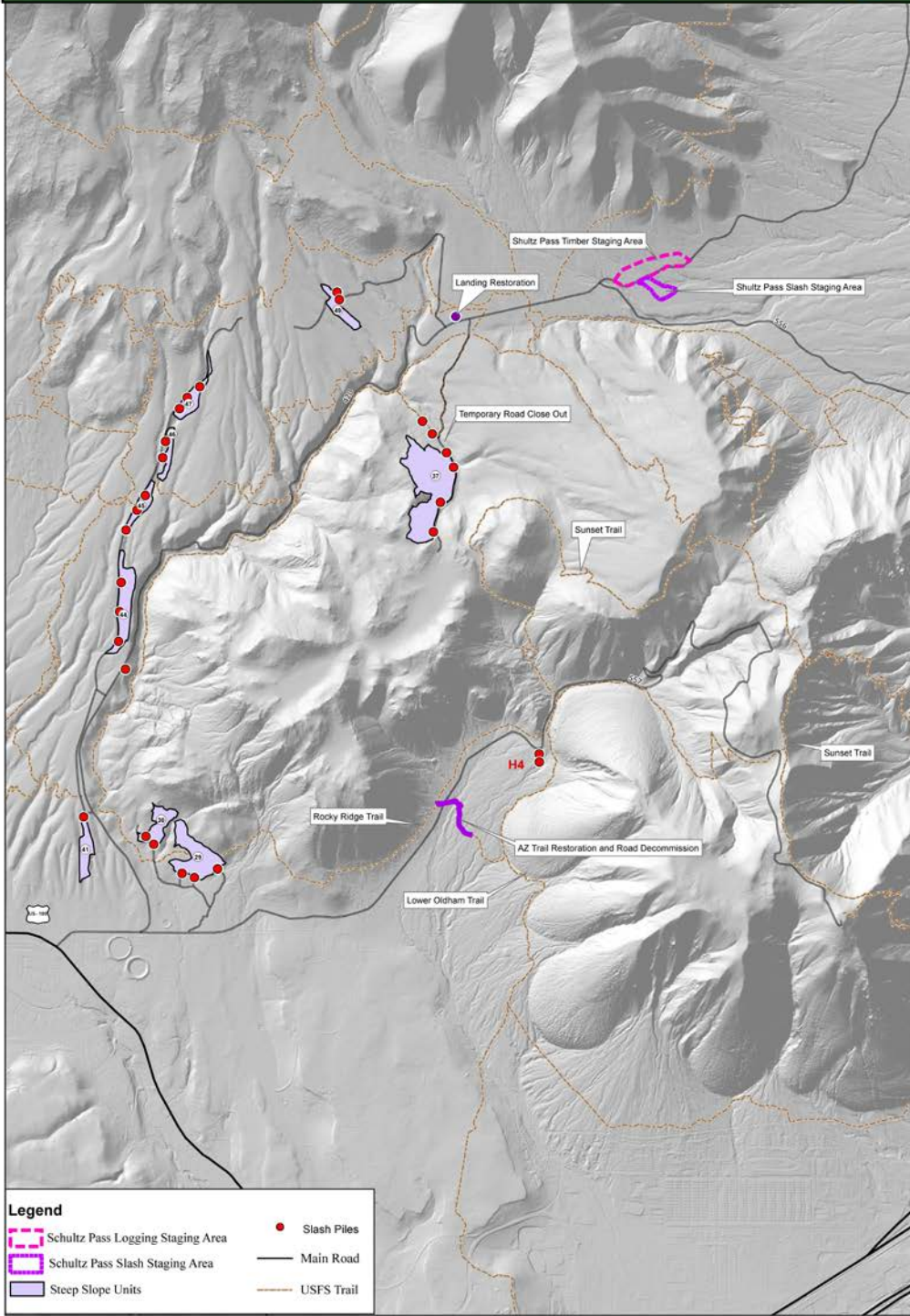
contractor/operator's negligence that is outside normal practices will be at the contractor's expense.

Map (following page):



The Midway Project

COCONINO NATIONAL FOREST - SOUTHWESTERN REGION



Legend

Schultz Pass Logging Staging Area	Slash Piles
Schultz Pass Slash Staging Area	Main Road
Steep Slope Units	USFS Trail

This product is reproduced from geospatial information prepared by the Coconino National Forest. Geospatial information and GIS product accuracy may vary. Using GIS products for purposes other than those for which they were created may yield inaccurate or misleading results. Coconino National Forest reserves the right to correct, update, modify or replace GIS products without notification.



Contractor must comply with the Industrial Fire Plan Guidelines below

**SOUTHWEST INTERAGENCY FIRE RESTRICTION AND CLOSURE
MASTER OPERATING PLAN
INDUSTRIAL FIRE PLAN GUIDELINES
For
AUTHORIZED USERS**

PURPOSE

The purpose of fire restrictions is to reduce the risk of human-caused fires during periods of high fire danger and/or burning conditions. The intent of these guidelines is to provide authorized users with the information they need to ensure their operations conform to the Industrial Fire Precaution Plan in the likely event that fire restrictions are implemented during critical fire season. For the purpose of these guidelines, authorized users include any permit holder, leasee, contractor, subcontractor and other user, engaged in permitted operations on National Forest Lands.

When operating on National Forest Lands, it is incumbent on the permitted user to know the current Industrial Fire Precaution Plan and to take the appropriate actions to meet the mitigation measures in these guidelines. In addition, it is also incumbent on the authorized user to inform any and all of their subordinates (contractors, subcontractors, etc...) of these precautions and to ensure that all requirements are being met.

GENERAL FIRE PRECAUTIONARY MEASURES

COMMUNICATIONS

Authorized users shall ensure a serviceable telephone, radio-telephone or radio communication system is available to provide prompt and reliable communications between the authorized user's operations and the Forest Service in the the event of a wildland fire ignition.

FIRE TOOLS

Authorized users shall furnish and maintain, in good working order, fires tools to be used only for suppressing wildland fires. Each operation shall be provided with one firefighting tool per person to equip all personnel engaged in authorized user's operations. Approved firefighting tools may include the following: pulaski; McLeod tool; long handled shovel.

FIRE TOOLS ON EQUIPMENT

Passenger carrying vehicles, including light pickup trucks and all terrain vehicles, shall be equipped with one (1) long-handled round pointed shovel and one (1) ABC dry chemical fire extinguisher not less than 2 1/2 pounds capacity. Each internal combustion fuel carrying piece of equipment (dumptruck, dozer, excavator, backhoe, etc...) shall be equipped with one long-handled round-pointed shovel, and one 5-pound capacity ABC dry chemical fire extinguisher.

Shovels and fire extinguishers shall be so mounted as to be readily reached from the ground.

SPARK ARRESTERS AND MUFFLERS

Authorized user will ensure that each internal combustion engine shall be equipped with a spark arrester qualified and rated under USDA Forest Service Standard (Spark Arrester Guide) 5100-1a or the latest revision of Society of Automotive Engineers "medium size engine, SAE recommended practice J350" unless it is:

(a) Equipped with a turbine-driven exhaust supercharger such as the turbocharger. There shall be no exhaust bypass.

(b) A multi-position engine, such as on power saws purchased after 6/30/77 which must meet the performance levels set forth in the Society of Automotive Engineers "multi-positioned small engine exhaust fire ignition standard, SAE recommended practice J335B" as now or hereafter amended. Those purchased prior to the above date shall be equipped with an approved spark arrester/muffler containing a 0.023 inch mesh screen in good condition.

(c) A passenger carrying vehicle or light truck, or medium truck up to 40,000 GVW, used on roads and equipped with a factory designed muffler and an exhaust system in good working condition.

(d) A heavy duty truck, such as a dump truck, or other vehicle used for commercial hauling, used only on roads and equipped with a factory designed muffler and with a vertical stack exhaust system extending above the cab.

Exhaust equipment described in this Subsection, including spark arresters and mufflers, shall be properly installed and constantly maintained in serviceable condition.

POWERED HANDTOOLS

During periods of use, each powered handtool operator shall have readily available for use, one long-handled round-pointed shovel and one chemical-pressurized ABC dry chemical fire extinguisher of not less than 8-ounce capacity by weight. Muffler, extinguisher, and shovel shall be maintained in good working order at all times. Fueling or refueling of a powered handtool shall be done in an area which has been completely cleared of material which will carry fire.

Powered handtools shall be moved at least 10 feet from the place of fueling or refueling before starting.

GAS AND OIL STORAGE AND SERVICE AREAS

The location of equipment service areas and gas and oil storage areas shall be approved in writing by the permit administrator. All areas shall be cleared of brush, litter, grass or other flammable debris for a radius of 50 feet.

BURNING OF REFUSE

No slash or other debris, such as that resulting from clearing on right-of-way, shall be burned without the written consent of the Forest Service.

BLASTING

Use of fuses in blasting shall not be permitted. A long-handled round-pointed shovel and at least five gallons of water for fire fighting purposes shall be available at all times. A fire guard must remain on the blasting site for a minimum of one hour after blasting operations have concluded.

WELDING

An area of sufficient size but not less than a 10 foot radius shall be cleared down to mineral soil before welding operations are started. Prior to welding, authorized user shall have available a round-pointed long-handled shovel, at least 5-gallons of water, and a 5-pound fire ABC dry chemical extinguisher at each welding site. A fire guard must remain on the welding site for a minimum of one hour after welding operations have concluded.

**SPECIFIC FIRE PRECAUTIONARY MEASURES
EMERGENCY FIRE PRECAUTION SCHEDULE**

EMERGENCY FIRE PRECAUTION SCHEDULE	
FIRE RESTRICTION/CLOSURE “STAGE”	
“STAGED” RESTRICTION LEVELS	INDUSTRIAL FIRE PRECAUTION PLAN
NO RESTRICTIONS	A
STAGE I	B
STAGE II	C
PARTIAL/FOREST CLOSURE **	D
RED FLAG WARNING (Issued by National Weather Service)	D

**** Partial Forest Closure:**

Project areas which are outside the boundaries of the partial forest closure may continue to operate under Industrial Fire Precaution Plan “C” operating criteria as agreed upon between the Permit Administrator and Purchaser in writing.

Project areas within the boundaries of the proclaimed partial forest closure area are to operate under Industrial Fire Precaution Plan “D”.

Staged restriction levels are determined by the appropriate Forest Line Officer in consultation with the Forest Fire Management Officer and Permit Administrator. The appropriate Forest Line Officer may adjust the predicted Industrial Fire Precaution Plan for local weather conditions within a Project Area. Changes in the predicted Industrial Fire Precaution Plan shall be agreed to

in writing.

INDUSTRIAL FIRE PRECAUTION PLAN – DESCRIPTION

Authorized user will restrict operations in accordance with the attached Emergency Fire Precaution Schedule:

A - Normal Fire Precautions - No fire guard required except for welding and blasting operations.

B - Normal Fire Precautions – Authorized user will provide fire guard.

C - All power equipment use as well as blasting and welding operations will shut down from 9:00 am until 8:00 pm Mountain Standard Time (10:00 am to 9:00 pm MDT). Operations on mineral soil involving activities such as road excavation, watering, grading, surfacing, rock crushing, and/or other equipment maintenance may continue. Authorized user will provide fire guard.

D - Shutdown all operations; except operations on mineral soil involving road excavation, watering, grading, gravel surfacing, and rock crushing may continue with special Forest Service permit. Blasting and welding are prohibited. Authorized user will provide fire guard.

FIRE GUARDS

To prevent, detect, and suppress wildland fire, authorized users shall provide a fire guard at each operating area where power-driven equipment and tools have been operated during the day. The fire guards shall constantly perform their duties during operating hours and for three (3) hours after the work stops for the day, when the Fire Precaution Plan is Plan “**B**”, “**C**”, or “**D**”.

A fire guard on one operating area shall satisfy the requirements on adjacent areas if the travel time with available transportation is not in excess of ten (10) minutes to any of the other areas requiring such service and provided the fire guard patrols all areas where authorized user’s activities occurred.

Each fire guard shall be vigilant, able and prepared to actions to prevent, detect, and report any wildland fires and to promptly and efficiently take suppression action with available required firefighting equipment and personnel on any wildland fire that starts on project area. Each fire guard shall be equipped with a vehicle and a fire tool cache consisting of a cache box with a complement of fire tools maintained in serviceable condition. Approved firefighting tools may include the following: Pulaski; McLeod; long handles round pointed shovel. The fire guard will also carry at least 25 gallons of water for firefighting purposes.

RED FLAG EVENTS

A “Red Flag Event” by definition, is a combination of environmental factors that can lead to extreme wildland fire behavior. The criteria for a Red Flag Event include a combination of sustained high winds, low relative humidity, and dry fuels. The thresholds for Red Flag Events are established by the local National Weather Service office. Red Flag Events are categorized in the following order:

- FIRE WEATHER WATCH is issued to alert the possibility of the development of conditions that would lead to a Red Flag Alert.
- RED FLAG WARNING is issued to warn of a predicted, impending or ongoing event that will meet the criteria of a Red Flag Alert within the next 24 hour period. This warning will generally precede a full alert.
- RED FLAG ALERT is the most critical stage and implemented when conditions are

extreme

When a Red Flag Alert is issued by the National Weather Service, all authorized user operations will adhere to Industrial Fire Precaution Plan “**D**” and will shut down operations until the Red Flag Alert is rescinded.

EXHIBIT B

CITY OF FLAGSTAFF STANDARD TERMS AND CONDITIONS

IN GENERAL

1. **NOTICE TO PROCEED:** Contractor shall not commence performance until after City has issued a Notice to Proceed.
2. **LICENSES AND PERMITS:** Contractor its expense shall maintain current federal, state, and local licenses, permits and approvals required for performance of the Contract, and provide copies to City upon request.
3. **COMPLIANCE WITH LAWS:** Contractor shall comply with all applicable federal, state and local laws, regulations, standards, codes and ordinances in performance of this Contract.
4. **NON-EXCLUSIVE:** Unless expressly provided otherwise in the Contract, this Contract is non-exclusive and the City reserves the right to contract with others for materials or services.
5. **SAMPLES:** Any sample submitted to the City by the Contractor and relied upon by City as representative of quality and conformity, shall constitute an express warranty that all materials and/or service to be provided to City shall be of the same quality and conformity.

MATERIALS

6. **PURCHASE ORDERS:** The City will issue a purchase order for the materials covered by the Contract, and such order will reference the Contract number.
7. **QUALITY:** Contractor warrants that all materials supplied under this Contract will be new and free from defects in material or workmanship. The materials will conform to any statements made on the containers or labels or advertisements for the materials, and will be safe and appropriate for use as normally used. City's inspection, testing, acceptance or use of materials shall not serve to waive these quality requirements. This warranty shall survive termination or expiration of the Contract.
8. **ACCEPTANCE:** All materials and services provided by Contract are subject to final inspection and acceptance by the City. Materials and services failing to conform to the Contract specifications may be rejected in whole or part. If rejected, Contractor is responsible for all costs associated arising from rejection.
9. **MANUFACTURER'S WARRANTIES:** Contractor shall deliver all Manufacturer's Warranties to City upon City's acceptance of the materials.
10. **PACKING AND SHIPPING:** Contractor shall be responsible for industry standard packing which conforms to requirements of carrier's tariff and ICC regulations. Containers shall be clearly marked as to lot number, destination, address and purchase order number. All shipments shall

be F.O.B. Destination, City of Flagstaff, 211 West Aspen Avenue, Flagstaff, Arizona 86001, unless otherwise specified by the City. C.O.D. shipments will not be accepted.

11. **TITLE AND RISK OF LOSS:** The title and risk of loss of material shall not pass to the City until the City actually receives the material at the point of delivery, and the City has completed inspection and has accepted the material, unless the City has expressly provided otherwise in the Contract.
12. **NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach and Contractor shall not have the right to substitute a conforming tender without prior written approval from the City.
13. **DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Contractor and may not substitute nonconforming materials, or services. Delivery of nonconforming materials, and/or services, or a default of any nature, at the option of the City, shall constitute shall deliver conforming materials, or services, in each installment or lot of the contract a breach of the contract as a whole.
14. **SHIPMENT UNDER RESERVATION PROHIBITED:** Contractor is not authorized to ship materials under reservation and no tender of a bill of lading shall operate as a tender of the materials.
15. **LIENS:** All materials and other deliverables supplied to the City shall be free of all liens other than the security interest held by Contractor until payment in full is made by the City. Upon request of the City, Contractor shall provide a formal release of all liens.
16. **CHANGES IN ORDERS:** The City reserves the right at any time to make changes in any one or more of the following: (a) methods of shipment or packing; (b) place of delivery; and (c) quantities. If any change causes an increase or decrease in the cost of or the time required for performance, an equitable adjustment may be made in the price or delivery schedule, or both. Any claim for adjustment shall be evidenced in writing and approved by the City Purchasing Director prior to the institution of the change.

PAYMENT

17. **INVOICES:** A separate invoice shall be issued for each shipment and each job completed. Invoices shall include the Contract and/or Purchase Order number, and dates when goods were shipped or work performed. Invoices shall be sent within 30 days following performance. Payment will only be made for satisfactory materials and/or services received and accepted by City.
18. **LATE INVOICES:** The City may deduct up to 10% of the payment price for late invoices. The City operates on a fiscal year budget, from July 1 through the following June 30. Except in unusual circumstances, which are not due to the fault of Contractor, City will not honor any invoices or claims submitted after August 15 for materials or services supplied in the prior fiscal year.
19. **TAXES:** Contractor shall be responsible for payment of all taxes including federal, state, and local taxes related to or arising out of Contractor's performance of this Contract. Such taxes

include but are not limited to federal and state income tax, social security tax, unemployment insurance taxes, transaction privilege taxes, use taxes, and any other taxes or business license fees as required.

Exception: The City will pay any taxes which are specifically identified as a line item dollar amount in the Contractor's bid, proposal, or quote, and which were considered and approved by the City as part of the Contract award process. In this event, taxes shall be identified as a separate line item in Contractor's invoices.

20. **FEDERAL EXCISE TAXES:** The City is exempt from paying certain Federal Excise Taxes and will furnish an exemption certificate upon request.
21. **FUEL CHARGES:** Contractor at its own expense is liable for all fuel costs related to performance. No fuel surcharges will be accepted or paid by City.
22. **DISCOUNTS:** If the Contract provides for payment discounts, payment discounts will be computed from the later date of the following: (a) when correct invoice is received by the City; or (b) when acceptable materials and/or materials were received by City.
23. **AMOUNTS DUE TO THE CITY:** Contractor must be current and remain current in all obligations due to the City during performance. Payments to Contractor may be offset by any delinquent amounts due to City or fees and charges owed to City under this Contract.
24. **OFAC:** No City payments may be made to any person in violation of Office of Foreign Assets Control regulations, 31 C.F.R. Part 501.

SERVICES

25. **INDEPENDENT CONTRACTOR:** Contractor shall be an independent contractor for purposes of all laws, including but not limited to the Fair Labor Standards Act, Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, Internal Revenue Code, Immigration and Naturalization Act; Arizona revenue and taxation, workers' compensation, and unemployment insurance laws.
26. **CONTROL:** Contractor shall be responsible for the control of the work.
27. **WORK SITE:** Contractor shall inspect the work site and notify the City in writing of any deficiencies or needs prior to commencing work.
28. **SAFEGUARDING PROPERTY:** Contractor shall responsible for any damage to real property of the City or adjacent property in performance of the work and safeguard the worksite.
29. **QUALITY:** All work shall be of good quality and free of defects, performed in a diligent and professional manner.
30. **ACCEPTANCE:** If work is rejected by the City due to noncompliance with the Contract, The City, after notifying Contractor in writing, may require Contractor to correct the deficiencies at Contractor's expense, or cancel the work order and pay Contractor only for work properly performed.
31. **WARRANTY:** Contractor warrants all work for a period of one (1) year following final acceptance by the City. Upon receipt of written notice from the City, Contractor at its own expense shall promptly correct work rejected as defective or as failing to conform to the Contract, whether

observed before or after acceptance, and whether or not fabricated, installed or completed by Contractor, and shall bear all costs of correction. If Contractor does not correct deficiencies within a reasonable time specified in the written notice from the City, the City may perform the work and Contractor shall be liable for the costs. This one-year warranty is in addition to, and does not limit Contractor's other obligations herein. This warranty shall survive termination or expiration of the Contract.

INSPECTION, RECORDS, ADMINISTRATION

32. **RECORDS:** The City shall have the right to inspect and audit all Contractor books and records related to the Contract for up to five (5) years after completion of the Contract.
33. **RIGHT TO INSPECT BUSINESS:** The City shall have the right to inspect the place of business of the Contractor or its subcontractor during regular business hours at reasonable times, to the extent necessary to confirm Contract performance.
34. **PUBLIC RECORDS:** This Contract and any related materials are a matter of public record and subject to disclosure pursuant to Arizona Public Records Law, A.R.S. § 39-121 et seq. If Contractor has clearly marked its proprietary information as "confidential", the City will endeavor to notify Contractor prior to release of such information.
35. **CONTRACT ADMINISTRATION:** Contractor will be required to participate in the City's Contract Administration Process. Contractor will be closely monitored for contract compliance and will be required to promptly correct any deficiencies.

INDEMNIFICATION, INSURANCE

36. **GENERAL INDEMNIFICATION:** Contractor shall indemnify, defend and hold harmless the City, its council, boards and commissions, officers, employees from all losses, claims, suits, payments and judgments, demands, expenses, attorney's fees or actions of any kind resulting from personal injury to any person, including employees, subcontractors or agents of Contractor or damages to any property arising or alleged to have arisen out of the negligent performance of the Contract, except any such injury or damages arising out of the sole negligence of the City, its officers, agents or employees. This indemnification provision shall survive termination or expiration of the Contract. This indemnification clause shall not apply, if a different indemnification clause is included in the City's Specific Terms and Conditions.
37. **INSURANCE:** Contractor shall maintain all insurance coverage required by the City, including public liability and worker's compensation.
38. **INTELLECTUAL PROPERTY INDEMNIFICATION:** Contractor shall indemnify and hold harmless the City against any liability, including costs and expenses, for infringement of any patent, trademark or copyright or other proprietary rights of any third parties arising out of contract performance or use by the City of materials furnished or work performed under this Contract. Contractor shall promptly assume full responsibility for the defense of any suit or proceeding which is, has been, or may be brought against the City and its agents for alleged infringement, or alleged unfair competition resulting from similarity in design, trademark or appearance of goods, and indemnify the City against any and all expenses, losses, royalties, profits and damages, attorneys fees and costs resulting from such proceedings or settlement thereof. This indemnification shall survive termination or expiration of the Contract.

CONTRACT CHANGES

39. **PRICE INCREASES:** Except as expressly provided for in the Contract, no price increases will be approved.
40. **COMPLETE AGREEMENT:** The Contract is intended to be the complete and final agreement of the parties.
41. **AMENDMENTS:** This Contract may be amended by written agreement of the parties.
42. **SEVERABILITY:** If any term or provision of this Contract is found by a court of competent jurisdiction to be illegal or unenforceable, then such term or provision is deemed deleted, and the remainder of this Contract shall remain in full force and effect.
43. **NO WAIVER:** Each party has the right insist upon strict performance of the Contract, and the prior failure of a party to insist upon strict performance, or a delay in any exercise of any right or remedy, or acceptance of materials or services, shall not be deemed a waiver of any right to insist upon strict performance.
44. **ASSIGNMENT:** This Contract may be assigned by Contractor with prior written consent of the City, which will not be unreasonably withheld. Any assignment without such consent shall be null and void. Unless expressly provided for in a separately executed Consent to Assignment, no assignment shall relieve Contractor (Assignor) from any of its obligations and liabilities under the Contract with respect to City. The Purchasing Director shall have authority to consent to an assignment on behalf of City.
45. **BINDING EFFECT:** This Contract shall be binding upon and inure to the benefit of the parties and their successors and assigns.

EMPLOYEES AND SUBCONTRACTORS

46. **SUBCONTRACTING:** Contractor may subcontract work in whole or in part with the City's advance written consent. City reserves the right to withhold consent if subcontractor is deemed irresponsible and/or subcontracting may negatively affect performance. All subcontracts shall comply with the underlying Contract. Contractor is responsible for Contract performance whether or not subcontractors are used.
47. **NONDISCRIMINATION:** Contractor shall not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, disability, genetic information, veteran's status, pregnancy, familial status and represents and warrants that it complies with all applicable federal, state and local laws and executive orders regarding employment. In addition any Contractor located within City of Flagstaff limits shall comply with the City Code, Chapter 14-02 Civil Rights which also prohibits discrimination based on sexual orientation, or gender identity or expression.
48. **DRUG FREE WORKPLACE:** The City has adopted a Drug Free Workplace policy for itself and those doing business with the City to ensure the safety and health of all persons working on City contracts and projects. Contractor personnel shall abstain from use or possession of illegal drugs while engaged in performance of this Contract.

49. IMMIGRATION LAWS: Pursuant to A.R.S. § 41-4401, Contractor hereby warrants to the City that the Contractor and each of its subcontractors will comply with, and are contractually obligated to comply with, all State and Federal Immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A) (hereinafter “Contractor Immigration Warranty”). A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract and shall subject the Contractor to penalties up to and including termination of this Contract at the sole discretion of the City. The City retains the legal right to inspect the papers of any Contractor or subcontractor employee who works on this Contract to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any such inspections. The City may, at its sole discretion, conduct random verification of the employment records of the Contractor and any subcontractors to ensure compliance with Contractor’s Immigration Warranty. Contractor agrees to assist the City in regard to any random verification performed. Neither Contractor nor any subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or subcontractor establishes that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. § 23-214(A).

DEFAULT AND TERMINATION

- 50. TERMINATION FOR DEFAULT:** Prior to terminating this Contract for a material breach, the non-defaulting party shall give the defaulting party written notice and reasonable opportunity to cure the default, not to exceed thirty (30) days unless a longer period of time is granted by the non-defaulting party in writing. In the event the breach is not timely cured, or in the event of a series of repeated breaches the non-defaulting party may elect to terminate Contract by written notice to Contractor, which shall be effective upon receipt. In the event of default, the parties may execute all remedies available at law in addition Contract remedies provided for herein.
- 51. CITY REMEDIES:** In the event of Contractor’s default, City may obtain required materials and/or services from a substitute contractor, and Contractor shall be liable to the City to pay for the costs of such substitute service. City may deduct or offset the cost of substitute service from any balance due to Contractor, and/or seek recovery of the costs of substitute service against any performance security, and/or collect any liquidated damages provided for in the Contract. Remedies herein are not exclusive.
- 52. CONTRACTOR REMEDIES:** In the event of City’s default, Contractor may pursue all remedies available at law, except as provided for herein.
- 53. SPECIAL DAMAGES:** In the event of default, neither party shall be liable for incidental, special, or consequential damages.
- 54. TERMINATION FOR NONAPPROPRIATION OF FUNDS:** The City may terminate all or a portion of this Contract due to budget constraints and non-appropriation of funds for the following fiscal year, without penalty or liability to Contractor.
- 55. TERMINATION FOR CONVENIENCE:** Unless expressly provided for otherwise in the Contract, this Contract may be terminated in whole or part by the City for convenience upon thirty (30) days written notice, without further penalty or liability to Contractor. If this Contract is terminated, City

shall be liable only for payment for satisfactory materials and/or services received and accepted by City before the effective date of termination.

56. **TERMINATION DUE TO INSOLVENCY:** If Contractor becomes a debtor in a bankruptcy proceeding, or a reorganization, dissolution or liquidation proceeding, or if a trustee or receiver is appointed over all or a substantial portion of the property of Contractor under federal bankruptcy law or any state insolvency law, Contractor shall immediately provide the City with a written notice thereof. The City may terminate this Contract, and Contractor is deemed in default, at any time if the Contractor becomes insolvent, or is a party to any voluntary bankruptcy or receivership proceeding, makes an assignment for a creditor, or there is any similar action that affects Contractor's ability to perform under the Contract.
57. **PAYMENT UPON TERMINATION:** Upon termination of this Contract, City will pay Contractor for satisfactory performance up until the effective date of termination. City shall make final payment within thirty (30) days from receipt of the Contractor's final invoice.
58. **CANCELLATION FOR GRATUITIES:** The City may cancel this Contract at any time, without penalty or further liability to Contractor, if City determines that Contractor has given or offered to give any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant ("Gratuities") in connection with award or performance of the Contract.
59. **CANCELLATION FOR CONFLICT OF INTEREST (A.R.S. § 38-511):** The City may cancel this Contract within three (3) years after its execution, without penalty or further liability to Contractor.

MISCELLANEOUS

60. **ADVERTISING:** Contractor shall not advertise or publish information concerning its Contract with City, without the prior written consent of the City.
61. **NOTICES:** All notices given pursuant to this Contract shall be delivered at the addresses as specified in the Contract, or updated by Notice to the other party. Notices may be: (a) personally delivered, with receipt effective upon personal delivery; (b) sent via certified mail, postage prepaid, with receipt deemed effective four (4) days after being sent; (c) or sent by overnight courier, with receipt deemed effective two (2) days after being sent. Notice may be sent by email as a secondary form of notice.
62. **THIRD PARTY BENEFICIARIES:** This Contract is intended for the exclusive benefit of the parties. Nothing herein is intended to create any rights or responsibilities to third parties.
63. **GOVERNING LAW:** This Contract shall be construed in accordance with the laws of Arizona.
64. **FORUM:** In the event of litigation relating to this Contract, any action at law or in equity shall be filed in Coconino County, Arizona.

- 65. ATTORNEYS FEES:** If any action at law or in equity is necessary to enforce the terms of this Contract, the prevailing party shall be entitled to recover its reasonable attorneys fees, costs, professional fees and expenses.
- 66. FORCE MAJUERE:** There may be events that occur during the term of this Contract that are beyond the control of both the City and the Contractor, including events of war, floods, labor, disputes, earthquakes, epidemics, pandemics, adverse weather conditions not reasonably anticipated, forest fires, and other acts of God. These events may result in a temporary delay of contractual deliverables, or the permanent inability to provide the contractual deliverables that are the subject of this Contract.

There will be no claims arising from a temporary delay of contractual deliverables, or the permanent inability to provide the contractual deliverables caused by the events described above, and the City will pay no additional costs incurred as a result of such events.

The parties agree to act in good faith to extend the Contract completion date without any penalty to the Contractor and that the extension will be in an amount of time equal to any temporary delay. This term supersedes all other terms regarding temporary delay, permanent shut down, or increased costs.

EXHIBIT C

CITY OF FLAGSTAFF STANDARD INSURANCE REQUIREMENTS

1. In General. Contractor shall maintain insurance against claims for injury to persons or damage to property, arising from performance of or in connection with this Contract by the Contractor, its agents, representatives, employees or contractors.
2. Requirement to Procure and Maintain. Each insurance policy required by this Contract shall be in effect at, or before, commencement of work under this Contract and shall remain in effect until all Contractor's obligations under this Contract have been met, including any warranty periods. The Contractor's failure to maintain the insurance policies as required by this Contract or to provide timely evidence of renewal will be considered a material breach of this Contract.
3. Minimum Scope and Limits of Insurance. The following insurance requirements are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The City does not represent or warrant that the minimum limits set forth in this Contract are sufficient to protect the Contractor from liabilities that might arise out of this Contract, and Contractor is free to purchase such additional insurance as Contractor may determine is necessary.

Contractor shall provide coverage at least as broad and with limits not less than those stated below.

a. Commercial General Liability - Occurrence Form

General Aggregate	\$2,000,000
Products/Completed Operations	\$1,000,000
Each Occurrence	\$1,000,000

b. Umbrella Coverage \$2,000,000

c. Automobile Liability –
Any Automobile or Owned, Hired
and Non-owned Vehicles
Combined Single Limit Per Accident
for Bodily Injury & Property Damage \$1,000,000

d. Workers' Compensation and Employer's Liability

Workers' Compensation	Statutory
Employer's Liability: Each Accident	\$500,000
Disease - Each Employee	\$500,000
Disease - Policy Limit	\$500,000

4. Self-Insured Retention. Any self-insured retentions must be declared to and approved by the City. If not approved, the City may require that the insurer reduce or eliminate such self-insured retentions with respect to the City, its officers, agents, employees, and volunteers. Contractor shall be solely responsible for any self-insured retention amounts. City at its option may require Contractor to secure payment of such self-insured retention by a surety bond or irrevocable and unconditional letter of credit.

5. Other Insurance Requirements. The policies shall contain, or be endorsed to contain, the following provisions:
- a. Additional Insured. In Commercial General Liability and Automobile Liability Coverages, the City of Flagstaff, its officers, officials, agents and employees shall be named and endorsed as additional insureds with respect to liability arising out of this Contract and activities performed by or on behalf of the Contractor, including products and completed operations of the Contractor, and automobiles owned, leased, hired or borrowed by the Contractor.
 - b. Broad Form. The Contractor's insurance shall contain broad form contractual liability coverage.
 - c. Primary Insurance. The Contractor's insurance coverage shall be primary insurance with respect to the City, its officers, officials, agents, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, agents and employees, shall be in excess of the coverage of the Contractor's insurance and shall not contribute to it.
 - d. Each Insured. The Contractor's insurance shall apply separately to each insured against whom a claim is made, or suit is brought, except with respect to the limits of the insurer's liability.
 - e. Not Limited. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.
 - f. Waiver of Subrogation. The policies shall contain a waiver of subrogation against the City, its officers, officials, agents and employees for losses arising from work performed by Contractor for the City.
6. Notice of Cancellation. Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, cancelled, reduced in coverage or in limits unless prior written notice has been given to the City. Notices required by this section shall be sent directly to the Buyer listed in the original Solicitation and shall reference the Contract Number:

Contract No. 2021-15
Emily Markel
Senior Procurement Specialist
Purchasing Section
City of Flagstaff
211 West Aspen Avenue
Flagstaff, AZ 86001

7. Acceptability of Insurers. Contractor shall place insurance hereunder with insurers duly licensed or approved unlicensed companies in the State of Arizona and with a "Best's" rating of not less than A: VII. The City does not represent or warrant that the above required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
8. Certificates of Insurance. The Contractor shall furnish the City with certificates of insurance (ACORD form) as required by this Contract. The certificates for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the certificate of insurance. The City project/contract number and project description shall be noted on the certificates of

insurance. The City must receive and approve all certificates of insurance and endorsements before the Contractor commences work.

9. Policies. The City reserves the right to require, and receive within ten (10) days, complete, certified copies of all insurance policies and endorsements required by this Contract at any time. The City shall not be obligated, however, to review any insurance policies or to advise Contractor of any deficiencies in such policies and endorsements. The City's receipt of Contractor's policies or endorsements shall not relieve Contractor from, or be deemed a waiver of, the City's right to insist on strict fulfillment of Contractor's obligations under this Contract.
10. Modifications. Any modification or variation from the insurance requirements in this Contract must have the prior approval of the City's Attorney's Office in consultation with the City's Risk Manager, whose decision shall be final. Such action will not require a formal Contract amendment but may be made by their handwritten revision and notation to the foregoing insurance requirements.

EXHIBIT D

Grant Provisions number 19-CS-11030408-025 (attached)