

PROFESSIONAL SERVICES AGREEMENT
CONSULTING SERVICES FOR ABANDONMENT OF FIVE CITY OF GLENDALE WATER
WELLS

This Professional Services Agreement ("Agreement") is entered into and effective between CITY OF GLENDALE, an Arizona municipal corporation ("City") and Leonard Rice Consulting Water Engineers, Inc., a Colorado Corporation, authorized to do business in the State of Arizona, dba LRE Water ("Consultant") as of the ____ day of _____, 2022 ("Effective Date").

RECITALS

- A. City intends to undertake a project for the benefit of the public and with public funds that is more fully set forth in **Exhibit A**, Project (the "Project");
- B. City desires to retain the professional services of Consultant to perform certain specific duties and produce the specific work as set forth in the attached **Exhibit B**, Project Scope of Work ("Scope");
- C. Consultant desires to provide City with professional services ("Services") consistent with best consulting or architectural practices and the standards set forth in this Agreement, in order to complete the Project; and
- D. City and Consultant desire to memorialize their agreement with this document.

AGREEMENT

The parties hereby agree as follows:

1. Key Personnel; Other Consultants and Subcontractors.

- 1.1 Professional Services. Consultant will provide all Services necessary to assure the Project is completed timely and efficiently consistent within Project requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other consultants or contractors, retained by City.
- 1.2 Project Team.
 - a. Project Manager.
 - (1) Consultant will designate an employee as Project Manager with sufficient training, knowledge, and experience to, in the City's opinion, complete the project and handle all aspects of the Project such that the work produced by Consultant is consistent with applicable standards as detailed in this Agreement; and
 - (2) The City must approve the designated Project Manager.
 - b. Project Team.
 - (1) The Project Manager and all other employees assigned to the Project by Consultant will comprise the "Project Team."
 - (2) Project Manager will have responsibility for and will supervise all other employees assigned to the Project by Consultant.
 - c. Discharge, Reassign, Replacement.
 - (1) Consultant acknowledges the Project Team is comprised of the same persons and roles for each as may have been identified in **Exhibit A**.
 - (2) Consultant will not discharge, reassign, replace or diminish the responsibilities of any of the employees assigned to the Project who have been approved by City without City's prior written consent unless that person leaves the employment of Consultant, in which event the substitute must first be approved in writing by City.

- (3) Consultant will change any of the members of the Project Team at the City's request if an employee's performance does not equal or exceed the level of competence that the City may reasonably expect of a person performing those duties, or if the acts or omissions of that person are detrimental to the development of the Project.

d. Subcontractors.

- (1) Consultant may engage specific technical contractors (each a "Subcontractor") to furnish certain service functions.
- (2) Consultant will remain fully responsible for Subcontractor's services.
- (3) Subcontractors must be approved by the City.
- (4) Consultant will certify by letter that all contracts with Subcontractors have been executed incorporating requirements and standards as set forth in this Agreement.

2. **Schedule.** The Services will be undertaken in a manner that ensures the Project is completed timely and efficiently in accordance with the Project.

3. **Consultant's Work.**

3.1 Standard. Consultant must perform Services in accordance with the standards of due diligence, care, and quality prevailing among consultants having substantial experience with the successful furnishing of Services for projects that are equivalent in size, scope, quality, and other criteria under the Project and identified in this Agreement.

3.2 Licensing. Consultant warrants that:

- a. Consultant and its Subconsultants or Subcontractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of Services ("Approvals"); and
- b. Neither Consultant nor any Subconsultant or Subcontractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").
 - (1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments, or to examine Consultant's contracting ability.
 - (2) Consultant must notify City immediately if any Approvals or Debarment changes during the Agreement's duration. The failure of the Consultant to notify City as required will constitute a material default under the Agreement.

3.3 Compliance.

- a. Services will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.
- b. Consultant must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Consultant will require any Sub-contractor to be bound to the same requirements as stated within this section. Consultant, and on behalf of any subcontractors, warrants compliance with this section.

3.4 Coordination; Interaction.

- a. For projects that the City believes requires the coordination of various professional services, Consultant will work in close consultation with City to proactively interact with

any other professionals retained by City on the Project ("Coordinating Project Professionals").

- b. Consultant will meet to review the Project, Schedule and in-progress work with Coordinating Project Professionals and City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and Project completion.
- c. For projects not involving Coordinating Project Professionals, Consultant will proactively interact with any other contractors when directed by City to obtain or disseminate timely information for the proper execution of the Project.

3.5 Work Product.

- a. Ownership. Upon receipt of payment for Services furnished, Consultant grants to City, and will cause its Subconsultants or Subcontractors to grant to the City, the exclusive ownership of and all copyrights, if any, to evaluations, reports, drawings, specifications, project manuals, surveys, estimates, reviews, minutes, all "architectural work" as defined in the United States Copyright Act, 17 U.S.C § 101, *et seq.*, and other intellectual work product as may be applicable ("Work Product").
 - (1) This grant is effective whether the Work Product is on paper (e.g., a "hard copy"), in electronic format, or in some other form.
 - (2) Consultant 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.
- b. Delivery. Consultant will deliver to City copies of the preliminary and completed Work Product promptly as they are prepared.
- c. City Use.
 - (1) City may reuse the Work Product at its sole discretion.
 - (2) In the event the Work Product is used for another project without further consultations with Consultant, the City agrees to indemnify and hold Consultant, Subconsultants or Subcontractors harmless from any claim arising out of the Work Product.
 - (3) In such case, City will also remove any seal and title block from the Work Product.

4. **Compensation for the Project.**

- 4.1 Compensation. Consultant's compensation for the Project, including those furnished by its Subconsultants or Subcontractors will not exceed \$75,000 as specifically detailed in **Exhibit D** ("Compensation").
- 4.2 Change in Scope of Project. The Compensation may be equitably adjusted if the originally contemplated Scope as outlined in the Project is significantly modified.
 - a. Adjustments to Compensation require a written amendment to this Agreement and may require City Council approval.
 - b. Additional services which are outside the Scope of the Project contained in this Agreement may not be performed by the Consultant without prior written authorization from the City.
 - c. Notwithstanding the incorporation of the Exhibits to this Agreement by reference, should any conflict arise between the provisions of this Agreement and the provisions found in the Exhibits and accompanying attachments, the provisions of this Agreement shall take priority and govern the conduct of the parties.
- 4.3 Allowances. An "Allowance" may be identified in **Exhibit D** only for work that is required by the Scope and the value of which cannot reasonably be quantified at the time of this Agreement.

- a. As stated in Sec. 4.1 above, the Compensation must incorporate all Allowance amounts identified in **Exhibit D** and any unused allowance at the completion of the Project will remain with City.
- b. Consultant may not add any mark-up for work identified as an Allowance and which is to be performed by a Subconsultant.
- c. Consultant will not use any portion of an Allowance without prior written authorization from the City.
- d. Examples of Allowance items include, but are not limited to, subsurface pothole investigations, survey, geotechnical investigations, public participation, radio path studies and material testing.

4.4 Expenses. City will reimburse Consultant for certain out-of-pocket expenses necessarily incurred by Consultant in connection with this Agreement, without mark-up (the "Reimbursable Expenses"), including, but not limited to, document reproduction, materials for book preparation, postage, courier and overnight delivery costs incurred with Federal Express or similar carriers, travel and car mileage, subject to the following:

- a. Mileage, airfare, lodging and other travel expenses will be reimbursable only to the extent these would, if incurred, be reimbursed to City of Glendale personnel under its policies and procedures for business travel expense reimbursement made available to Consultant for review prior to the Agreement's execution, and which policies and procedures will be furnished to Consultant;
- b. The Reimbursable Expenses in this section are approved in advance by City in writing; and
- c. The total of all Reimbursable Expenses paid to Consultant in connection with this Agreement will not exceed the "not to exceed" amount identified for Reimbursable Services in the Compensation.

5. **Billings and Payment.**

5.1 Applications.

- a. Consultant will submit monthly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below.
- b. The period covered by each Payment Application will be one calendar month ending on the last day of the month.

5.2 Payment.

- a. After a full and complete Payment Application is received, City will process and remit payment within 30 days.
- b. Payment may be subject to or conditioned upon City's receipt of:
 - (1) Completed work generated by Consultant and its Subconsultants and Subcontractors; and
 - (2) Unconditional waivers and releases on final payment from all Subconsultants and Subcontractors as City may reasonably request to assure the Project will be free of claims arising from required performances under this Agreement.

5.3 Review and Withholding. City's Project Manager will timely review and certify Payment Applications.

- a. If the Payment Application is rejected, the Project Manager will issue a written listing of the items not approved for payment.

- b. City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment.

6. Termination.

6.1 For Convenience. City may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than 15 days following the date of delivery.

- a. Consultant will be equitably compensated for Services furnished prior to receipt of the termination notice and for reasonable costs incurred.
- b. Consultant will also be similarly compensated for any approved effort expended, and approved costs incurred, that are directly associated with Project closeout and delivery of the required items to the City.

6.2 For Cause. City may terminate this Agreement for cause if Consultant fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.

- a. Consultant will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Consultant for Services furnished, City will pay the amount due to Consultant, less City's damages, in accordance with the provision of Sec. 5.
- b. If City's direct damages exceed amounts otherwise due to Consultant, Consultant must pay the difference to City immediately upon demand; however, Consultant will not be subject to consequential damages more than \$1,000,000 or the amount of this Agreement, whichever is greater.

7. **Conflict.** Consultant acknowledges this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement.

8. **Insurance.** For the duration of the term of this Agreement, Consultant shall procure and maintain insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of all tasks or work necessary to complete the Project as herein defined. Such insurance shall cover Consultant, its agent(s), representative(s), employee(s) and any subcontractors.

8.1 **Minimum Scope and Limit of Insurance.** Coverage must be at least as broad as:

- a. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01, including products and completed operations, with limits of no less than **\$1,000,000** per occurrence for bodily injury, personal injury, and property damage. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- b. Automobile Liability: Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), with limits no less than **\$1,000,000** per accident for bodily injury and property damage.
- c. Professional Liability. Consultant must maintain a Professional Liability insurance covering errors and omissions arising out of the work or services performed by Consultant, or anyone employed by Consultant, or anyone for whose acts, mistakes, errors and omissions Consultant is legally liability, with a liability insurance limit of \$1,000,000 for each claim and a \$1,000,000 annual aggregate limit.
- d. Worker's Compensation: Insurance as required by the State of Arizona, with Statutory Limits, and Employers' Liability insurance with a limit of no less than **\$1,000,000** per accident for bodily injury or disease.

8.2 Indemnification.

- a. To the fullest extent permitted by law, Consultant must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties") for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense" collectively "Demands or Expenses") asserted by a third-party (i.e. a person or entity other than City or Consultant) and that arises out of or results from the breach of this Agreement by the Consultant or the Consultant's negligent actions, errors or omissions (including any Subconsultant or Subcontractor or other person or firm employed by Consultant), whether sustained before or after completion of the Project.
- b. This indemnity and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Consultant will be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Consultant or of any person or entity for whom Consultant is responsible.
- c. Consultant is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.

8.3 **Other Insurance Provisions.** The insurance policies required by the Section above must contain, or be endorsed to contain the following insurance provisions:

- a. **The City, its officers, officials, employees and volunteers are to be covered as additional insureds** of the CGL and automobile policies for any liability arising from or in connection with the performance of all tasks or work necessary to complete the Project as herein defined. Such liability may arise, but is not limited to, liability for materials, parts or equipment furnished in connection with any tasks, or work performed by Consultant or on its behalf and for liability arising from automobiles owned, leased, hired or borrowed on behalf of the Consultant. General liability coverage can be provided in the form of an endorsement to the Consultant's existing insurance policies, provided such endorsement is at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37, if later revisions are used.
- b. For any claims related to this Project, the **Consultant's insurance coverage shall be primary insurance** with respect to the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be in excess of the Consultant's insurance and shall not contribute with it.
- c. Each insurance policy required by this Section shall provide that coverage shall not be canceled, except after providing notice to the City.

8.4 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of no less than A: VII, unless the Consultant has obtained prior approval from the City stating that a non-conforming insurer is acceptable to the City.

8.5 Waiver of Subrogation. **Consultant hereby agrees to waive its rights of subrogation which any insurer may acquire** from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation Policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agent(s) and subcontractor(s).

8.6 **Verification of Coverage.** Within 15 days of the Effective Date of this Agreement, Consultant shall furnish the City with original certificates and amendatory endorsements, or copies of any applicable insurance language making the coverage required by this Agreement effective. All certificates and endorsements must be received and approved by the City before work commences. Failure to obtain, submit or secure the City's approval of the required insurance policies, certificates or endorsements prior to the City's agreement that work may commence shall not waive the Consultant's obligations to obtain and verify insurance coverage as otherwise provided in this Section. The City reserves the right to require complete, certified copies of all required insurance policies, including any endorsements or amendments, required by this Agreement at any time during the Term stated herein.

Consultant's failure to obtain, submit or secure the City's approval of the required insurance policies, certificates or endorsements shall not be considered a Force Majeure or defense for any failure by the Consultant to comply with the terms and conditions of the Agreement, including any schedule for performance or completion of the Project.

8.7 **Subcontractors.** Consultant shall require and shall verify that all subcontractors maintain insurance meeting all requirements of this Agreement.

8.8 **Special Risk or Circumstances.** The City reserves the right to modify these insurance requirements, including any limits of coverage, based on the nature of the risk, prior experience, insurer, coverage or other circumstances unique to the Consultant, the Project or the insurer.

9. **E-verify, Records and Audits.** To the extent applicable under A.R.S. § 41-4401, the Consultant warrant their compliance and that of its subconsultants with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under A.R.S. § 23-214(A). The Consultant or subconsultant's breach of this warranty shall be deemed a material breach of the Agreement and may result in the termination of the Agreement by the City under the terms of this Agreement. The City retains the legal right to randomly inspect the papers and records of the other party to ensure that the other party is complying with the above-mentioned warranty. The Consultant and subconsultant warrant to keep their respective papers and records open for random inspection during normal business hours by the other party. The parties shall cooperate with the City's random inspections, including granting the inspecting party entry rights onto their respective properties to perform the random inspections and waiving their respective rights to keep such papers and records confidential.

10. **No Boycott of Israel.** To the extent A.R.S § 35-393 through § 35-393.03 are applicable, the parties hereby certify that they are not currently engaged in, and agree for the duration of the Agreement to not engage in, a boycott of goods or services from Israel, as that term is defined in A.R.S § 35-393.

11. **Attestation of PCI Compliance.** When applicable, the Consultant will provide the City annually with a Payment Card Industry Data Security Standard (PCI DSS) attestation of compliance certificate signed by an officer of Consultant with oversight responsibility.

12. **Notices.**

12.1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if:

- a. The Notice is in writing; and
- b. Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested).
- c. Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if:
 - (1) Received on a business day before 5:00 p.m. at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service; or
 - (2) As of the next business day after receipt, if received after 5:00 p.m.

- d. The burden of proof of the place and time of delivery is upon the Party giving the Notice.
- e. Digitalized signatures and copies of signatures will have the same effect as original signatures.

12.2 Representatives.

- a. Consultant. Consultant's representative (the "Consultant's Representative") authorized to act on Consultant's behalf with respect to the Project, and his or her address for Notice delivery is:

LRE Water
c/o Lauren Handley
11811 N. Tatum Blvd., Suite 1026
Phoenix AZ 85028

- b. City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:

City of Glendale
c/o Julie Ossege
7070 W Northern Ave.
Glendale, Arizona 85303

With required copy to:

City Manager
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

City Attorney
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

- c. Concurrent Notices.
 - (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
 - (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by the City Manager and the City Attorney.
 - (3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Consultant identifying the designee(s) and their respective addresses for notices.
- d. Changes. Consultant or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.

13. **Financing Assignment.** City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project, provided such entity agrees to assume the City's rights and obligations under this agreement, including payments due to the Consultant prior to the assignment.

14. **Entire Agreement; Survival; Counterparts; Signatures.**

14.1 Integration. This Agreement contains, except as stated below, the entire agreement between City and Consultant and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement.

- a. Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.
- b. Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.

- c. Inconsistencies between the solicitation, any addenda attached to the solicitation, the response or any excerpts attached as **Exhibit A**, and this Agreement, will be resolved by the terms and conditions stated in this Agreement.

14.2 **Interpretation.**

- a. The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.
- b. The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.
- c. The Agreement will be interpreted in accordance with the laws of the State of Arizona.

14.3 **Survival.** Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement.

14.4 **Amendment.** No amendment to this Agreement will be binding unless in writing and executed by the parties. Electronic signature blocks do not constitute execution for purposes of this Agreement. Any amendment may be subject to City Council approval.

14.5 **Remedies.** All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.

14.6 **Severability.** If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be reformed to conform with applicable law.

14.7 **Counterparts.** This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.

15. Term.

15.1 **Renewals.** The term of this Agreement commences upon the effective date and continues for a 1 year initial period. The City may, at its option and with the approval of the Consultant, extend the term of this Agreement an additional 2-years, renewable on an annual basis. Consultant will be notified in writing by the City of its intent to extend the Agreement period at least thirty (30) calendar days prior to the expiration of the original or any renewal Agreement period. Price adjustments will only be reviewed during the Agreement renewal period and will be a determining factor for any renewal. There are no automatic renewals of this Agreement.

15.2 **Extension for Procurement Process.** Upon the expiration of the Term of this Agreement, including the initial term and any renewals, at the City's sole discretion, this Agreement may be extended on a month-to-month basis for a maximum of six (6) months to allow for the City to complete its procurement process to select a vendor to provide the services/materials similar to those provided under this Agreement. The City will notify the Contractor in writing of its intent to extend the Agreement at least thirty (30) calendar days prior to the expiration of the Term. Any extension provided under this subsection will continue under the same terms and conditions as in effect immediately prior to the expiration of the then-current term.

16. Dispute Resolution. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered according to the American Arbitration Association's Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

17. Exhibits. The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.

EXHIBIT A
Professional Services Agreement

PROJECT

City of Glendale is requesting the services of Leonard Rice Consulting Water Engineers, Inc. (LRE) to assist in the abandonment of up to five non-functional water wells within our service area. Two of the wells (COG 1 and COG 32) are to be abandoned to accommodate the potential sale or reuse of the City property that they reside on. Well (AR-15) is to be abandoned due to it being replaced and redrilled in a different location. Another City well (AR-16) is in close proximity to a new City well (COG 50) that is being drilled and it is to be abandoned so as not to cause poor quality migration to the new well. The other well abandonment is on an as-needed basis, when identified under the current well drilling program.

EXHIBIT B
Professional Services Agreement

SCOPE OF WORK

Please refer to Attachment A for Consultant work associated with the abandonment of five City of Glendale water wells.

EXHIBIT C
Professional Services Agreement

SCHEDULE

Please refer to Attachment A for Consultant proposed schedule for its work in assisting with the abandonment of five City of Glendale water wells.

EXHIBIT D
Professional Services Agreement

COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

Consultant will be compensated per the proposed fee schedule.

NOT-TO-EXCEED AMOUNT

The total amount of compensation paid to Consultant for full completion of all work required by the Project during the entire term of the Project must not exceed \$75,000.

DETAILED PROJECT COMPENSATION

Detailed project compensation is outlined in Attachment A plus contingencies.

ATTACHMENT A

Scope of Services

Client: City of Glendale Water Services Department
Project: City of Glendale Well Abandonments
Date: March 17, 2022
Submitted to: Drew Swieczkowski (Water Resource Manager, City of Glendale)
Submitted by: Lauren Handley, R.G., Senior Project Manager, LRE Water

As requested by the City of Glendale (COG), LRE is pleased to submit this proposal to assist in the abandonment of up to three (3) identified COG-owned wells and two (2) unidentified COG-owned wells that will be determined at a later date. The Scope of Services herein was developed according to email and telephone conversations between COG and LRE regarding the project objectives. The well registry numbers, registered well owner, locations, and construction information for the subject wells are as follows:

Well Name	Well Registry Number	Well Owner	Cadastral Location	Casing Length (Feet)	Casing Diameter (inches)
COG-1	55-604110	COG	A(2-2)08BBB	1,700	20
COG-32	55-604122	COG	A(2-1)11BAA	755	12
Arrowhead Ranch (AR)-16	55-625048	Currently listed as Land Owners General Partner, Inc. to be switched to COG	A(4-2)25CD	1,000	16
Future Well Abandonment #1 (Location to be determined by COG and identification number to be provided in the future)		COG	--	--	--
Future Well Abandonment #2 (Location to be determined by COG and identification number to be provided in the future)		COG	--	--	--

COG has requested LRE's assistance with the Arizona Department of Water Resources (ADWR) permitting, abandonment oversight, and reporting required for the project. The LRE scope of services includes the following tasks:

1. Project Management and Coordination
2. COG-1 Well Abandonment

3. COG-32 Well Abandonment
4. AR-16 Well Abandonment
5. Future Well Abandonment #1
6. Future Well Abandonment #2
7. Owner's Allowance

Task Series 1.0: Project Management and Coordination

This task series involves activities related to project management, client meetings, and quality management.

TASK 1.1 – PROJECT MEETINGS FOR INITIAL WELL ABANDONMENTS

LRE will coordinate and attend project meetings including:

- A site visit at each of the three (3) well locations with the COG-selected well abandonment contractor (referred to herein as Contractor) for pricing and project planning purposes. LRE will coordinate directly with the Contractor if requested by the COG Project Manager (PM).
- A kick-off meeting with the appropriate COG departments and stakeholders, the Contractor, and the LRE team. The LRE PM will coordinate with the COG PM to assist in the preparation of the agenda and/or presentation materials.
- LRE will coordinate and attend up to three (3) project progress or coordination meetings, as needed. These meetings are assumed to be approximately one (1) hour in length and held via teleconference or at COG facilities.

TASK 1.2 – PROJECT ADMINISTRATION

The LRE PM will submit monthly invoices and progress reports that provide a summary of billing period activities, progress to date, budget versus plan, and schedule updates. A Preliminary Project Schedule for the abandonment of the first three (3) wells, COG-1, COG-32, and AR-16 is provided in Attachment 1.

LRE will assist COG in selecting a qualified Contractor for well video survey and abandonment, review and provide comment on Contractor unit prices, and provide a review of Contractor pay application, if requested by COG.

Task Series 1.0 Deliverables include kick-off meeting presentation materials; progress meeting agendas/presentation materials; monthly invoices, and progress reports.

Task Series 2.0: COG-1 Well Abandonment

TASK 2.1 – WELL ABANDONMENT PERMITTING AND VIDEO SURVEY

LRE will review the available ADWR and COG data regarding the COG-1 well to understand the well construction details and current condition. LRE will attend and review the well video survey

conducted by the Contractor to examine and verify the current condition and construction details of the well casing and screen.

LRE will prepare the preliminary well abandonment plan and the ADWR Notice of Intent to Abandon (NOIA) for review by COG. Once approved by COG, LRE will submit the final plan and application to ADWR and respond to an ADWR request for additional information during their 30-day review timeframe, if necessary. LRE will provide the \$150 permit fee to ADWR and has included the permit fee in the fee estimate (Attachment 2).

TASK 2.2 – WELL ABANDONMENT OVERSIGHT AND REPORTING

LRE will provide field oversight during the critical points of the COG-1 well abandonment. Procedures for abandonment will be documented and annular volumes of materials used to *abandon the well will be tallied and calculated. The LRE oversight will be tailored to ensure that the prescribed method of well abandonment is followed by the Contractor.*

LRE will prepare and submit to the ADWR a Well Owner's Notification of Abandonment on behalf of COG. LRE will also prepare a brief technical memorandum to provide a summary of the COG-1 well abandonment for COG records.

Task Series 2.0 Deliverables: ADWR NOIA, Preliminary and final well abandonment plans, ADWR Well Owner's Notification of Abandonment, Draft and Final Technical Memorandum.

Task Series 3.0: COG-32 Well Abandonment

TASK 3.1 – WELL ABANDONMENT PERMITTING

LRE will review the available ADWR and COG data regarding the COG-32 well to understand the well construction details and current condition. Based on a cursory review of available ADWR records, the COG-32 may have been previously decommissioned by filling the entire well with bentonite to two feet below land surface. LRE assumes that a reasonable effort to remove any obstructions can be made, but that the well abandonment can be completed with minimal removal of the installed bentonite.

LRE will prepare the preliminary well abandonment plan and the ADWR NOIA for review by COG. Once approved by COG, LRE will submit the final plan and application to ADWR and respond to an ADWR request for additional information during their 30-day review timeframe, if necessary. LRE will provide the \$150 permit fee to ADWR.

TASK 3.2 – WELL ABANDONMENT OVERSIGHT AND REPORTING

LRE will provide field oversight during the critical points of the COG-32 well abandonment. Procedures for abandonment will be documented and annular volumes of materials used to abandon the well will be tallied and calculated. The LRE oversight will be tailored to ensure that the prescribed method of well abandonment is followed by the Contractor.

LRE will prepare and submit to the ADWR a Well Owner's Notification of Abandonment on behalf of COG. LRE will also prepare a brief technical memorandum to provide a summary of the COG-32 well abandonment for COG records.

Task Series 3.0 Deliverables: ADWR NOIA, Preliminary and final well abandonment plans, ADWR Well Owner's Notification of Abandonment, Draft and Final Technical Memorandum.

Task Series 4.0: AR-16 Well Abandonment

TASK 4.1 – WELL ABANDONMENT PERMITTING AND VIDEO SURVEY

The well AR-16 is not currently registered as owned by COG. COG staff has indicated that the well is owned by COG and the appropriate documents are available for use in correcting the registration. LRE assumes the COG will prepare and submit the ADWR Change of Well Ownership Form prior to the commencement of abandonment services. LRE will review the available ADWR and COG data regarding the AR-16 well to understand the construction details and current condition. LRE will review the well video survey conducted by the Contractor to examine and verify the current condition and construction details of the well casing and screen.

LRE will prepare the preliminary well abandonment plan and the ADWR NOIA for review by COG. Once approved by COG, LRE will submit the final plan and application to ADWR and respond to an ADWR request for additional information during their 30-day review timeframe, if necessary. LRE will provide the \$150 permit fee to ADWR.

TASK 4.2 – WELL ABANDONMENT OVERSIGHT AND REPORTING

LRE will provide field oversight during the critical points of the AR-16 well abandonment. Procedures for abandonment will be documented and annular volumes of materials used to abandon the well will be tallied and calculated. The LRE oversight will be tailored to ensure that the prescribed method of well abandonment is followed by the Contractor.

LRE will prepare a brief technical memorandum to provide a summary of the AR-16 well abandonment for COG records.

Task Series 4.0 Deliverables: ADWR NOIA, Preliminary and final well abandonment plans, ADWR Well Owner's Notification of Abandonment, Draft and Final Technical Memorandum.

Task Series 5.0: Future COG Well Abandonment #1

TASK 5.1 – PROJECT MEETINGS

LRE will coordinate and attend project meetings including:

- A site visit at the well location (well to be identified by COG in the future) with the COG-selected well abandonment Contractor for pricing and project planning purposes. LRE will coordinate directly with the Contractor if requested by the COG PM.
- A kick-off meeting with the appropriate COG departments and stakeholders, the Contractor, and the LRE team. The LRE PM will coordinate with the COG PM to assist in the preparation of the agenda and/or presentation materials.
- LRE will coordinate and attend a project progress or coordination meetings, as needed. This meeting is assumed to be approximately one (1) hour in length and held via teleconference or at COG facilities.

TASK 5.2 – WELL ABANDONMENT PERMITTING AND VIDEO SURVEY

LRE will review the available ADWR and COG data regarding the well to understand construction details and current condition. LRE will review the well video survey conducted by the Contractor to examine and verify the current condition and construction details of the well casing and screen.

LRE will prepare the preliminary well abandonment plan and the ADWR NOIA for review by COG. Once approved by COG, LRE will submit the final plan and application to ADWR and respond to an ADWR request for additional information during their 30-day review timeframe, if necessary. LRE will provide the \$150 permit fee to ADWR and has included this in the attached fee estimate.

TASK 5.3 – WELL ABANDONMENT OVERSIGHT AND REPORTING

LRE will provide field oversight during the critical points of the well abandonment. Procedures for abandonment will be documented and annular volumes of materials used to abandon the well will be tallied and calculated. The LRE oversight will be tailored to ensure that the prescribed method of well abandonment is followed by the COG contractor.

LRE will prepare and submit to the ADWR a Well Owner's Notification of Abandonment on behalf of COG. LRE will also prepare a brief technical memorandum to provide a summary of the well abandonment for COG records.

Task Series 5.0 Deliverables: ADWR NOIA, Preliminary and final well abandonment plans, ADWR Well Owner's Notification of Abandonment, Draft and Final Technical Memorandum.

Task Series 6.0: Future COG Well Abandonment #2

TASK 6.1 – PROJECT MEETINGS

LRE will coordinate and attend project meetings including:

- A site visit at the well location (well to be identified by COG in the future) with the COG-selected well abandonment Contractor for pricing and project planning purposes. LRE will coordinate directly with the Contractor if requested by the COG PM.
- A kick-off meeting with the appropriate COG departments and stakeholders, the Contractor, and the LRE team. The LRE PM will coordinate with the COG PM to assist in the preparation of the agenda and/or presentation materials.
- LRE will coordinate and attend a project progress or coordination meetings, as needed. This meeting is assumed to be approximately one (1) hour in length and held via teleconference or at COG facilities.

TASK 6.2 – WELL ABANDONMENT PERMITTING AND VIDEO SURVEY

LRE will review the available ADWR and COG data regarding the well to understand construction details and current condition. LRE will review the well video survey conducted by the Contractor to examine and verify the current condition and construction details of the well casing and screen.

LRE will prepare the preliminary well abandonment plan and the ADWR NOIA for review by COG. Once approved by COG, LRE will submit the final plan and application to ADWR and respond to

an ADWR request for additional information during their 30-day review timeframe, if necessary. LRE will provide the \$150 permit fee to ADWR.

TASK 6.3 – WELL ABANDONMENT OVERSIGHT AND REPORTING

LRE will provide field oversight during the critical points of the well abandonment. Procedures for abandonment will be documented and annular volumes of materials used to abandon the well will be tallied and calculated. The LRE oversight will be tailored to ensure that the prescribed method of well abandonment is followed by the Contractor.

LRE will prepare and submit to the ADWR a Well Owner's Notification of Abandonment on behalf of COG. LRE will also prepare a brief technical memorandum to provide a summary of the well abandonment for COG records.

Task Series 6.0 Deliverables: ADWR NOIA, Preliminary and final well abandonment plans, ADWR Well Owner's Notification of Abandonment, Draft and Final Technical Memorandum.

TASK 7 – OWNER'S ALLOWANCE

This task consists of an allowance to provide additional services as requested by the COG. LRE anticipates additional services may include assisting with additional permitting, field oversight, or reporting efforts. LRE has included an assumed 40 hours of Senior Hydrogeologist time, 40 hours of Project Hydrogeologist time and 40 hours of Staff Hydrogeologist time in the Fee Estimate for the allowance task.

ASSUMPTIONS

LRE has made the following assumptions in order to prepare this Scope of Services and Fee Estimate:

- COG will select and contract directly with the Contractor that will remove any existing pumping equipment, prepare the site, conduct the well abandonment, and perform the video survey.
- COG will ensure access is available for all on-site activities.
- LRE will prepare and submit the NOIA to the ADWR and will provide the \$150 fee. No additional permitting is required.
- Costs for each Task are estimated as accurately as possible given LRE's current knowledge of the project. However, the LRE PM can move funds between Tasks 1 through 6 as needed.

These assumptions are subject to change based on the site-specific conditions encountered, information gained during the assessments, and specific requests from COG staff. However, LRE will not deviate from these assumptions without written authorization from COG PM.

SCHEDULE

COG has indicated that the first three (3) wells to be abandoned are COG-1, COG-32, and AR-16. The remaining two (2) wells will be abandoned once COG staff determines the appropriate timing and locations. Therefore, the Preliminary Project Schedule (Attachment 1) provides

estimated timeframes for the abandonment of COG-1, COG-32, and AR-16 only. The project schedule assumes the following:

- The Notice-To-Proceed (NTP) and Contract with LRE will be complete by May 1, 2022.
- The COG will issue the Contractor NTP by May 15, 2022.
- The Contractor will mobilize and complete all activities in a timely manner.
- The COG-32 abandonment can be completed with minimal or no removal of the bentonite fill material.
- The COG-1 abandonment will require casing removal to a depth of 20 ft below land surface (bls).
- The COG-32 abandonment will require casing removal to a depth of 10 ft bls.
- The AR-16 abandonment will require a casing removal depth of 10ft bls.
- The ADWR will require a full 30-day review period for the NOIA, and that the abandonment drill card will be issued following the 30-day review period.
- The project schedule will be updated as actual mobilization dates are provided by the Contractor.

FEE ESTIMATE

The project will be completed on a time and materials basis. LRE will only charge the COG for costs and hours spent on the project. The estimated fee to complete this Scope of Services is presented in Attachment 2.

Attachment 1 –
Preliminary Project Schedule

City of Glendale Well Abandonment COG-1, COG-32, and AR-16		2022			
		May	Jun	July	Aug
Notice to Proceed, (Assumed 5/1/2022)		◆			
Task Series 1.0	Project Management and Coordination	■			
	Site Visits (COG, LRE, and Contractor)	◆	■		
	Pricing and Contract (COG, Contractor)	■	■		
	Project Kick-Off Meeting (COG, LRE, Contractor)	◆	■		
	Progress Meetings (approx. every 4 weeks, or as needed)	◆	◆	◆	◆
Task Series 2.0	COG-1 Well Abandonment	■			
	Well Video (Contractor, LRE)	◆	■		
	NOIA Preparation, Review, Approval (LRE and COG)	■	■		
	ADWR Review and Approval Period	■	■		
	Receive ADWR Abandonment Drill Card	■	◆	■	
	Site Prep Activities (Contractor)	■	■	■	
	Well Abandonment and Oversight (LRE and Contractor)	■	■	■	■
Task Series 3.0	COG-32 Well Abandonment	■			
	NOIA Preparation, Review, Approval (LRE and COG)	■	■		
	ADWR Review and Approval Period	■	■		
	Receive ADWR Abandonment Drill Card	■	◆	■	
	Site Prep Activities (Contractor)	■	■	■	
	Well Abandonment and Oversight (LRE and Contractor)	■	■	■	■
Task Series 4.0	AR-16 Well Abandonment	■			
	Well Video (Contractor, LRE)	◆	■		
	NOIA Preparation, Review, Approval (LRE and COG)	■	■		
	ADWR Review and Approval Period	■	■		
	Receive ADWR Abandonment Drill Card	■	◆	■	
	Site Prep Activities (Contractor)	■	■	■	
	Well Abandonment and Oversight (LRE and Contractor)	■	■	■	■
Project Completion		◆			

Attachment 2 - Fee Estimate

Client City of Glendale
 Project COG Well Abandonments
 Date 16-Mar-22

Task No.	Task Name	Budget Summary			Project Total
		Hours	Labor	Expenses	
01	Project Management and Meetings	30	\$ 5,510	\$ 39	\$ 5,549
02	COG-1 Well Abandonment	68	\$ 9,794	\$ 200	\$ 9,994
03	COG-32 Well Abandonment	32	\$ 4,822	\$ 189	\$ 5,011
04	AR-16 Well Abandonment	68	\$ 9,794	\$ 200	\$ 9,994
05	Future Well Abandonment #1	75	\$ 11,055	\$ 200	\$ 11,255
06	Future Well Abandonment #2	75	\$ 11,055	\$ 200	\$ 11,255
07	Owner's Allowance	120	\$ 19,760	\$ 240	\$ 20,000
Totals		468	\$ 71,790	\$ 1,268	\$ 73,058