

**NOTICE OF SPECIAL MEETING AND BUDGET WORKSHOP  
OF THE CAREFREE TOWN COUNCIL**

**WHEN:** TUESDAY, APRIL 17, 2018

**WHERE:** CAREFREE TOWN COUNCIL CENTER  
33 EASY STREET, CAREFREE, AZ 85377

**TIME:** 3:00 P.M.

Pursuant to A.R.S. 38-431.02, notice is hereby given to the members of the Town Council of the Town of Carefree, Arizona and to the general public that the members of the Town Council will hold a meeting open to the public. For any item listed on the agenda, the Council may vote to go into Executive Session for advice of counsel and/or to discuss records and information exempt by law or rule from public inspection, pursuant to Arizona Revised Statutes §38-431.03.

The agenda for the meeting is as follows:

**CALL TO ORDER**

**SILENT ROLL CALL**

*One or more members of the Council may be unable to attend the meeting in person and may participate by technological means or methods pursuant to A.R.S. §38-431(4).*

**AGENDA:**

**ITEM #1** Review, discussion, and possible action to approve an Engineering Services Contract with Coe and Van Loo II, L.L.C. in the amount of \$187,710 for an evaluation of the water system serving the southwest portion of Carefree.

**ITEM #2** Workshop to discuss Fiscal Year 2018-2019 budget.

**ITEM #3** Adjournment.

DATED this 11<sup>th</sup> day of April, 2017.

TOWN OF CAREFREE

BY: 

Kandace French Contreras, Town Clerk

Items may be taken out of sequence



**FOR SPECIAL ACCOMMODATIONS**

Please contact the Town Clerk, 8 Sundial Circle (PO Box 740), Carefree, AZ 85377; (480) 488-3686, at least three working days prior to the meeting if you require special accommodations due to a disability.

**TOWN OF CAREFREE  
ENGINEERING SERVICES CONTRACT**

**CAREFREE WATER SYSTEM EVALUATION AND  
FINANCIAL ASSESSMENT**

**THIS CONTRACT**, entered into this 17th day of April, 2018, between the Town of Carefree, an Arizona municipal corporation, the "TOWN" and Coe and Van Loo II L.L.C., an Arizona limited liability company, the "ENGINEER."

**RECITALS**

- A.** The Town intends to contract for Engineering services for an evaluation of the portion of Carefree served by Cave Creek Water known as "Neighborhood A" (also generally known as "Southwest Carefree"). This evaluation will determine the value of the existing water infrastructure in this area, options for water service from the Carefree Water Company, overall costs to acquire this area, and possible water rate structures that could be implemented to support these costs. Information obtained under this Contract will be used to determine and streamline a similar analysis for two other portions of Carefree served by Cave Creek Water known as "Neighborhoods B and C" (also generally known as "West Carefree" and "Northwest Carefree", respectively).
- B.** The Engineer is qualified to render the design services desired by the Town.

**FOR AND IN CONSIDERATION** of the parties' mutual covenants and conditions, it is agreed between the Town and the Engineer as follows:

**1.0 Description, Acceptance, Documentation**

**1.1 Scope of Services**

The Engineer will act under the authority and approval of the Contract Administrator to provide the Engineering services required by this Contract.

The Engineer is assigned the tasks specified in the attached Exhibit A, Scope of Work, "Carefree Water System Evaluation and Financial Assessment", which is incorporated by reference and made a part of this Contract. All survey and engineering drawings prepared as part of this Engineering Services Contract shall include right-of-way, easement, and property boundaries.

The Engineer must obtain all necessary information to complete the tasks specified herein and in Exhibit A, Scope of Work, "Carefree Water System Evaluation and Financial Assessment".

**1.2 Acceptance and Documentation**

- A.** Each task will be reviewed and approved by the Contract Administrator to determine acceptable completion.

- B. The Town will provide information to the Engineer for timely completion of the tasks in Section 1.1 above.
- C. All documents, including but not limited to, drawings, special provisions, data compilations, studies, field survey notes, reports, and estimates which are prepared in the performance of this Contract are to be and remain the property of the Town and are to be delivered to the Contract Administrator before final payment is made to the Engineer.

## **2.0 Fees and Payments**

### **2.1 Fee Schedule**

Engineer will perform the services outlined herein for a not-to-exceed fee of \$187,710. Engineer will prepare a monthly invoice based on the percentage of work complete and submit the invoice to the Town. A breakdown of the costs is shown in the attached Exhibit B which summarizes the entire project. Exhibits B-1 through B-3 show the cost breakdowns for each of the Subcontractors.

### **2.2 Payment Approval**

The time spent for each task must be recorded and submitted to the Contract Administrator. The Engineer must maintain all necessary documents and accounting records pertaining to time billed and to costs incurred and make these materials available at all reasonable times during the contract period.

Monthly payments will be made to the Engineer on the basis of a progress report submitted by the Engineer for work completed through the last day of the preceding calendar month; however, not more than 90% of the total contract price will be paid before Town's final acceptance of all completed work. Each task is subject to review and approval by the Contract Administrator to determine acceptable completion.

The Contract Administrator reserves the exclusive right to determine the amount of work performed and payment due the Engineer on a monthly basis.

All charges must be approved by the Contract Administrator before payment.

#### **2.2.1 Payment Terms**

The Town of Carefree's payment terms for engineering work is 30 days after invoice submittal by the engineer and the work is approved by the Town Contract Administrator.

### **2.3 Price Adjustment – Not Used**

### 3.0 General Terms and Conditions

#### 3.1 Contract Administrator

The Contract Administrator for the Town will be Greg Crossman, Town Engineer and General Manager of the Carefree Water Company, or designee. The Contract Administrator will oversee the performance of this Contract, assist the Engineer in accessing the organization, audit billings, and approve payments. The Engineer must submit all drawings, special provisions, field survey notes, reports, and estimates, and any special requests through the Contract Administrator. The Contract Administrator has the authority to authorize Change Orders up to the limits permitted by the Town.

#### 3.2 Term of Contract

The term of this contract shall begin on the date that Notice to Proceed is issued, and all work under this contract shall be completed within 300 calendar days. Attached as Exhibit C is the schedule for project completion.

If any tasks remain incomplete after the Term of the Contract, the Contract Administrator must give written approval to continue the Contract.

This Contract is in full force and effect when it is signed by the Town and the Engineer.

#### 3.3 Termination or Cancellation of Contract

The Town may terminate this Contract or abandon any portion of the project that has not been performed by the Engineer.

**Termination for Convenience:** The Town has the right to terminate this Contract or any part of it for its sole convenience with 30 days written notice. If terminated, the Engineer must immediately stop all work and will immediately cause any of its suppliers and Subcontractors to stop all work. As payment in full for services performed to the date of the termination, the Engineer will receive a fee for the percentage of services actually completed. This fee will be in the amount mutually agreed upon by the Engineer and the Town, based on the Scope of Work. If there is no mutual agreement, the Contract Administrator will determine the percentage of completion of each task detailed in the Scope of Work and the Engineer's compensation will be based on this determination. The Town will make this final payment within 60 days after the Engineer has delivered the last of the partially completed items. The Engineer will not be paid for any work done after receipt of the notice of termination or for any costs incurred by the Engineer's suppliers or Subcontractors, which the Engineer could reasonably have avoided.

**Cancellation for Cause:** The Town may also cancel this Contract or any part of it with 7 days notice if the Engineer defaults, or if the Engineer fails to comply with any of the terms and conditions of this Contract. Unsatisfactory performance as determined by the Contract Administrator and failure to provide the Town, upon request, with adequate assurances of future performance are all

causes allowing the Town to terminate this Contract for cause. Upon cancellation for cause, the Town will not be liable to the Engineer for any amount, and the Engineer will be liable to the Town for all damages sustained by the default which caused the cancellation.

If the Engineer is in violation of any Federal, State, County or Town law, regulation or ordinance, the Town may terminate this Contract immediately after giving notice to the Engineer.

If the Town cancels this Contract or any part of the Contract services, the Town will notify the Engineer in writing, and upon receiving notice, the Engineer must discontinue advancing the work and proceed to close all operations.

Upon cancellation, the Engineer must deliver to the Town all drawings, special provisions, field survey notes, reports, and estimates, entirely or partially completed, in any format, including but not limited to written or electronic media, together with all unused materials supplied by the Town. Use of incomplete data will be the Town's sole responsibility.

The Engineer must appraise the work it has completed and submit its appraisal to the Town for evaluation.

If the Engineer fails to fulfill in a timely and proper manner its obligations, or if the Engineer violates any of the terms of this Contract, the Town may withhold any payments to the Engineer for the purpose of setoff until the exact amount of damages due the Town from the Engineer is determined by a court of competent jurisdiction.

If the Town improperly cancels the Contract for cause; the cancellation for cause will be converted to a termination for convenience in accordance with the provisions of this Section 3.3.

### **3.4 Funds Appropriation**

If the Town Council does not appropriate funds to continue this Contract and pay for charges hereunder, the Town may terminate this Contract at the end of the current fiscal period. The Town agrees to give written notice of termination to the Engineer at least thirty (30) days prior to the end of its current fiscal period and will pay to the Engineer all approved charges incurred through the end of such period.

### **3.5 Audit**

The Town may audit all of the Engineer's records, calculations, and working documents pertaining to this work at a mutually agreeable time and place.

The Engineer's records (hard copy, as well as computer readable data), and any other supporting evidence necessary to substantiate any claims related to this Contract must be open to inspection and subject to audit and reproduction by the Town's authorized representative as necessary to permit evaluation and verification of the cost of the work, and any invoices, change orders, payments or

claims submitted by the Engineer or any of his payees. The Town's authorized representative must be afforded access, at reasonable times and places, to all of the Engineer's records and personnel throughout the term of this Contract and for a period of 3 years after the final payment.

The Engineer must require all Subcontractors and material suppliers (payees) to comply with the provisions of this section by insertion of these requirements in a written contract between the Engineer and payee. These requirements will apply to all Subcontractors.

If an audit discloses overcharges by the Engineer to the Town in excess of 1% of the total contract billings, the actual cost of the Town's audit must be reimbursed to the Town by the Engineer. Any adjustments and payments made as a result of the audit or inspection of the Engineer's invoices and records will be made within a period of time not to exceed 90 days from presentation of the Town's findings to the Engineer.

This audit provision includes the right to inspect personnel records as required by Section 3.22.

### **3.6 Ownership of Project Documents**

All documents, including but not limited to, drawings, tracings, design notes and calculations, special provisions, data compilations, studies, field notes, reports, and estimates, in any format, including but not limited to, written or electronic media, prepared in the performance of this Contract will remain the property of the Town and must be delivered to the Contract Administrator before final payment is made to the Engineer.

When the work detail covers only the preparation of preliminary reports or plans, there will be no limitations upon the Town concerning use of the plans or ideas in the reports or plans for the preparation of final construction plans. The Town will release the Engineer from any liability for the preparation of final construction plans by others.

### **3.7 Completeness and Accuracy**

The Engineer will be responsible for the completeness and accuracy of its work, including but not limited to, survey work, drawings and sketches, design calculations, special provisions, data compilations, studies, field notes, reports, and estimates, and will correct, at its expense, all errors or omissions which may be disclosed. The cost to correct those errors will be chargeable to the Engineer. Additional construction added to the project will not be the responsibility of the Engineer unless the need for additional construction was created by any error, omission, or negligent act of the Engineer. The Town's acceptance of the Engineer's work will not relieve the Engineer of any of its responsibilities.

### **3.8 Dispute Resolution**

All disputes and controversies of every kind and nature between the parties hereto arising out of or in connection with this Contract as to the existence,

construction, validity, interpretation or meaning, performance, non-performance, enforcement, operation, breach, continuance, or termination thereof shall, if the dispute or controversy cannot be settled through negotiation, be submitted to binding private arbitration. Any settlement agreement signed by the parties pursuant to the arbitration shall be binding. The prevailing party in the arbitration shall be entitled to receive from the other party reasonable attorneys' fees and reasonable expenses as determined by the arbitrator.

### **3.9 Successors and Assigns**

This Contract will be binding upon the Engineer, its successors and assigns, including any individual, or other entity with or into which the Engineer may merge, consolidate, or be liquidated, or any individual or other entity to which the Engineer may sell or assign its assets.

### **3.10 Assignment**

Services covered by this Contract must not be assigned or sublet in whole or in part without first obtaining the written consent of the Contract Administrator.

### **3.11 Subcontractors**

The Engineer may engage any additional Subcontractors as required for the timely completion of this Contract. If the Engineer subcontracts any of the work required by the Contract, the Engineer remains solely responsible for fulfillment of all the terms of this Contract.

The Engineer will pay its Subcontractors within 7 calendar days of receipt of each progress payment from the Town. The Engineer will pay for the amount of the Work performed by each Subcontractor as accepted and approved by the Town with each progress payment. In addition, any reduction of retention, if any, by the Town will result in a corresponding reduction to Subcontractors who have performed satisfactory work. The Engineer will pay Subcontractors the reduced retention within 14 calendar days of the payment of the reduction of the retention to the Engineer. No Contract between the Engineer and its Subcontractors may materially alter the rights of any Subcontractor to receive prompt payment and retention reduction as provided in this Contract.

If the Engineer fails to make payments in accordance with these provisions, the Town may take any of one or more of the following actions and the Engineer agrees that the Town may take these actions:

- A. To hold the Engineer in default under this Contract;
- B. Withhold future payments including retention until proper payment has been made to Subcontractors in accordance with these provisions;
- C. Reject all future offers to perform work for the Town from the Engineer for a period not to exceed 1 year from the completion date of this project; or
- D. Terminate this Contract.



### **3.12 Alterations or Additions to Scope of Services**

The total Scope of the Engineering Services to be performed is stated in this Contract. Any services requested outside the scope of work are additional services. The Engineer will not perform these additional services without a written Change Order approved by the Town. If the Engineer performs additional services without a Change Order, the Engineer will not receive any additional compensation.

### **3.13 Modifications**

Any amendment or modification of the terms of this Contract must be in writing and will be effective only after approval of all parties to this Contract.

### **3.14 Conflict of Interest**

The Engineer warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Engineer, to solicit or secure this Contract, and that it has not paid or agreed to pay any person or persons, other than a bona fide employee working solely for the Engineer any fee, commission, percentage, brokerage fee, gifts or any consideration, contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, Town will have the right to annul this Contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover the full amount of any fee, commission, percentage, brokerage fee, gift or contingent fee, together with costs and attorney's fees.

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

The Engineer will fully reveal in writing any financial or compensatory agreement which it has with a prospective bidder before the Town's publication of documents for bidding.

### **3.15 Force Majeure**

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

### **3.16 Taxes**

The fee listed in this Contract includes all taxes applicable to the services authorized. The Town will have no obligation to pay additional amounts for taxes of any type.

### **3.17 Advertising**

No advertising or publicity concerning the Town's use of the Engineer's services will be undertaken without first obtaining written approval of the Contract Administrator. Use of the project in future Statements of Qualifications and/or Proposals is acceptable and does not require written approval from the Contract Administrator.

### **3.18 Counterparts**

This Contract may be executed in one or more counterparts, and each executed duplicate counterpart will possess the full force and effect of the original.

### **3.19 Entire Agreement**

This Contract contains the entire understanding of the parties and no representations or agreements, oral or written, made before its execution will vary or modify the terms of this Contract.

### **3.20 Arizona Law**

This Contract must be governed and interpreted according to the laws of the State of Arizona.

### **3.21 Equal Employment Opportunity**

The Engineer will comply with Executive Order No. 11245, entitled "Equal Employment Opportunity", as amended by Executive Order No. 11375, and as supplemented in Department of Labor Regulations (41 CFR Part 60). The Engineer will include the terms of this provision in all contracts and subcontracts for work performed under this Contract, including supervision and oversight.

#### **No Preferential Treatment or Discrimination:**

In accordance with the provisions of Article II, Section 36 of the Arizona Constitution, the Town will not grant preferential treatment to or discriminate against any individual or group on the basis of race, sex, color, ethnicity or national origin.

### **3.22 Compliance with Federal and State Laws**

The Engineer accepts the applicability to it of the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. In addition, the Engineer accepts the applicability to it of A.R.S. §34-301 and 34-302. The Engineer will include the terms of this provision in all

contracts and subcontracts for work performed under this Contract, including supervision and oversight.

**Under the provisions of A.R.S. §41-4401, the Engineer warrants to the Town that the Engineer and all its subcontractors will comply with all Federal Immigration laws and regulations that relate to their employees and that the Engineer and all its subcontractors now comply with the E-Verify Program under A.R.S. §23-214(A).**

A breach of this warranty by the Engineer or any of its subcontractors will be considered a material breach of this Contract and may subject the Engineer or Subcontractor to penalties up to and including termination of this Contract or any subcontract.

The Town retains the legal right to inspect the papers of any employee of the Engineer or any subcontractor who works on this Contract to ensure that the Engineer or any subcontractor is complying with the warranty given above.

The Town may conduct random verification of the employment records of the Engineer and any of its subcontractors to ensure compliance with this warranty. The Engineer agrees to indemnify, defend and hold the Town harmless for, from and against all losses and liabilities arising from any and all violations of these statutes.

The Town will not consider the Engineer or any of its subcontractors in material breach of this Contract if the Engineer and its subcontractors establish that they have complied with the employment verification provisions prescribed by 8 USCA §1324(a) and (b) of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214(A). The "E-Verify Program" means the employment verification pilot program as jointly administered by the United States Department of Homeland Security and the Social Security Administration or any of its successor programs.

The provisions of this Article must be included in any contract the Engineer enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property. The Engineer will take appropriate steps to assure that all subcontractors comply with the requirements of the E-Verify Program. The Engineer's failure to assure compliance by all its' subcontractors with the E-Verify Program may be considered a material breach of this Contract by the Town.

### **3.23 Compliance with Americans with Disabilities Act**

Engineer acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. Engineer will provide the services specified in this Contract in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. Engineer agrees not to discriminate

against disabled persons in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of Engineer, its employees, agents or assigns will constitute a material breach of this Contract.

### **3.24 Evaluation of Engineer's Performance**

The Engineer may be evaluated regarding its performance of this Contract. This evaluation will include, but not be limited to, the following consideration for:

- Completeness
- Accuracy
- Utility Coordination
- Technical Expertise
- Organization
- Appearance of plans (linework, lettering, etc.)
- Working relationship with Town staff and others
- Availability
- Communication skills (meetings, correspondence, etc.)

This evaluation will be prepared by the staff and used to evaluate the desirability to proceed with negotiations for additional services.

### **3.25 Notices**

All notices or demands required by this Contract must be given to the other party in writing, delivered by hand or by registered or certified mail at the addresses stated below, or to any other address the parties may substitute by giving written notice as required by this section.

On behalf of the Engineer:  
Ryan Weed, P.E., President  
Coe and Van Loo II L.L.C.  
4550 N. 12<sup>th</sup> Street  
Phoenix, AZ 85014  
602-264-6831

On behalf of the Town:  
Gary Neiss, Town Administrator  
Town of Carefree  
P.O. Box 740  
Carefree, AZ 85377  
480-488-3686

If hand delivered, Notices are received on the date delivered. If delivered by certified or registered mail, Notices are received on the date indicated on the receipt. Notice by facsimile or electronic mail is not adequate notice.

### **3.26 Independent Contractor**

The services the Engineer provides to the Town are that of an Independent Contractor, not an employee, or agent of the Town. The Town will report the value paid for these services each year to the Internal Revenue Service (I.R.S.) using Form 1099.

Town will not withhold income tax as a deduction from contractual payments. As a result of this, Contractor may be subject to I.R.S. provisions for payment of estimated income tax. Contractor is responsible for consulting the local I.R.S. office for current information on estimated tax requirements.

### **3.27 Ineligible Bidder**

The preparer of bid specifications is not eligible to submit a bid or proposal on the solicitation for which they prepared the specification, nor is the preparer eligible to supply any product to a bidder or offeror on the solicitation for which they prepared the specification.

### **3.28 Indemnification**

To the fullest extent permitted by law, the Engineer must defend, indemnify and hold harmless the Town, its agents, representatives, officers, directors, officials and employees against all allegations, demands, suits, actions, claims, damages, losses, expenses, attorney fees, court costs, cost of appellate proceedings, and all claim adjusting and handling expense arising out of any negligent or intentional acts, actions, errors, or omissions to the extent caused by the Engineer. The Engineer is defined as the Engineer, its successors, assigns and guarantors, any subcontractor or anyone directly or indirectly employed by the Engineer or subcontractor or anyone for whose acts the Engineer or subcontractor may be liable and any injury or damages claimed by any of the Engineer's and subcontractor's employees.

Insurance provisions in this Contract are separate and independent from the indemnity provisions of this section and will not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this section must not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

## **4.0 Insurance**

A current Acord Certificate is acceptable.

Failure to provide an appropriate Certificate of Insurance will result in rejection of your certificate and delay in Contract execution.

### **4.1 Insurance Representations and Requirements**

- A. General: The Engineer agrees to comply with all applicable Town ordinances and state and federal laws and regulations.

Without limiting any obligations or liabilities of the Engineer, the Engineer must purchase and maintain, at its own expense, the required minimum insurance with insurance companies duly licensed or approved to conduct business in the State of Arizona and with an A.M. Best's rating of B++6 or above with policies and forms satisfactory to Town. Failure to maintain insurance as required may result in cancellation of this Contract at the Town's option.

- B. No Representation of Coverage Adequacy: By requiring insurance, Town does not represent that coverage and limits will be adequate to protect the Engineer. The Town reserves the right to review any and all of the insurance policies and endorsements cited in this Contract but has no obligation to do so. Failure to demand evidence of full compliance with the insurance requirements in this Contract or failure to identify any insurance deficiency will not relieve the Engineer from, nor will it be considered a waiver of its obligation to maintain the required insurance at all times during the performance of this Contract.
- C. Coverage Term: The Engineer must maintain all required insurance in full force and effect until all work or services are satisfactorily performed and accepted by the Town of Carefree, unless specified otherwise in this Contract.
- D. Claims Made: If any required insurance policies are written on a "claims made" basis, coverage must extend for 3 years past completion and acceptance of the work or service. The Engineer must annually submit Certificates of Insurance citing that the applicable coverage is in force and contains the required provisions for the 3 year period.
- E. Policy Deductibles and or Self Insured Retentions: The required policies may provide coverage which contain deductibles or self-insured retention amounts. The Engineer is solely responsible for any deductible or self-insured retention amount and the Town, at its option, may require the Engineer to secure payment of the deductible or self-insured retention by a surety bond or irrevocable and unconditional Letter of Credit.
- F. Use of Subcontractors: If any work is subcontracted in any way, the Engineer must execute a written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements as the Town requires of the Engineer in this Contract. The Engineer is responsible for executing the Contract with the Subcontractor and obtaining Certificates of Insurance and verifying the insurance requirements.
- G. Evidence of Insurance: Before commencing any work or services under this Contract, the Engineer must furnish the Contract Administrator with Certificate(s) of Insurance, or formal endorsements issued by the Engineer's insurer(s) as evidence that policies are placed with acceptable insurers and provide the required coverages, conditions, and limits of coverage and that the coverage and provisions are in full force and effect.

If a Certificate of Insurance is submitted as verification of coverage, the Town will reasonably rely upon the Certificate of Insurance as evidence of coverage but this acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this Contract. If any of the required policies expire during the life of this Contract, the Engineer must forward renewal Certificates to the Town within 10 days after the renewal date containing all the necessary insurance provisions.

Certificates shall specifically cite the following provisions:

1. The Town of Carefree, its agents, representatives, officers, directors, officials and employees are named as an Additional Insured under the following policies:
  - a) Commercial General Liability
  - b) Auto Liability
  - c) Excess Liability - Follow Form to underlying insurance as required.
2. The Engineer's insurance must be primary insurance for all performance of work under this Contract.
3. All policies, except Professional Liability insurance if applicable, waive rights of recovery (subrogation) against the Town, its agents, representatives, officers, directors, officials and employees for any claims arising out of work or services performed by the Engineer under this Contract.
4. If the Engineer receives notice that any of the required policies of insurance are materially reduced or cancelled, it will be Engineer's responsibility to provide prompt notice of same to the Town, unless such coverage is immediately replaced with similar policies.

**4.2 Required Coverage**

- A. Commercial General Liability: The Engineer must maintain "occurrence" form Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 General Aggregate Limit. The policy must cover liability arising from premises, operations, independent contractors, products-completed operations, and personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this section, the Excess insurance must be "follow form" equal or broader in coverage scope than the underlying insurance.
- B. Professional Liability: The Engineer must maintain Professional Liability insurance covering errors and omissions arising out of the work or services performed by the Engineer, or anyone employed by the Engineer, or anyone for whose acts, mistakes, errors and omissions the Engineer is legally liable, with a liability insurance limit of \$2,000,000 each claim and \$5,000,000 all claims. If the Professional Liability insurance policy is written on a "claims made" basis, coverage must extend for 3 years past completion and acceptance of the work or services, the

Engineer must annually submit Certificates of Insurance citing that the applicable coverage is in force and contains the required provisions for a 3 year period.

- C. Vehicle Liability: The Engineer must maintain Business Automobile Liability insurance with a limit of \$1,000,000 each accident on the Engineer's owned, hired, and non-owned vehicles assigned to or used in the performance of the Engineer's work or services under this Contract. If any Excess insurance is utilized to fulfill the requirements of this paragraph, the Excess insurance must be "follow form" equal or broader in coverage scope than the underlying insurance.
- D. Workers Compensation Insurance: The Engineer must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of the Engineer's employees engaged in the performance of work or services under this Contract, and must also maintain Employers' Liability Insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee and \$500,000 disease policy limit.

## **5.0 Software Licenses – Not Used**

## **6.0 Severability and Authority**

### **6.1 Severability**

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

### **6.2 Authority**

Each party warrants that it has full power and authority to enter into and perform this Contract, and that the person signing on behalf of each party has been properly authorized and empowered to enter into this Contract. Each party acknowledges that it has read, understands, and agrees to be bound by the terms and conditions of this Contract.

## **7.0 Request For Taxpayer I.D. Number & Certification I.R.S. W-9 Form**

Upon request, the Contractor shall provide the required I.R.S. W-9 FORM which is available from the IRS website at [www.IRS.gov](http://www.IRS.gov) under their forms section.



**AUTHORIZATION**

**In witness whereof, the parties hereto have executed this Contract, the effective date of which is indicated at the beginning of this document.**

**Coe and Van Loo II, L.L.C**  
4550 N. 12<sup>th</sup> Street  
Phoenix, AZ 85014

**by: CVL Consultants, Inc., Member**

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**by: Ryan Weed, P.E.**  
President

**TOWN OF CAREFREE**  
8 Sundial Circle  
P.O. Box 740  
Carefree, AZ 85377

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**Gary Neiss**  
Carefree Town Administrator

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**Les Peterson**  
Mayor, Town of Carefree



# CERTIFICATE OF LIABILITY INSURANCE

COEVA-1

OP ID: JM

DATE (MM/DD/YYYY)  
04/10/2018

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

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

<b>PRODUCER</b> Professional Underwriters of Arizona, Inc. P.O. Box 5419 Scottsdale, AZ 85261-5419 Prof. Underwriters of Arizona	<b>CONTACT NAME:</b> Prof. Underwriters of Arizona <b>PHONE (A/C, No, Ext):</b> 480-483-0440 <b>E-MAIL ADDRESS:</b> <b>FAX (A/C, No):</b> 480-948-7752													
	<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Travelers Prop Cas Co/America</td> <td>25674</td> </tr> <tr> <td>INSURER B : Charter Oak Fire Insurance Co</td> <td>25615</td> </tr> <tr> <td>INSURER C : Phoenix Insurance Co.</td> <td>25623</td> </tr> <tr> <td>INSURER D : Trav Cas&amp;Surety Co America</td> <td>31194</td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Travelers Prop Cas Co/America	25674	INSURER B : Charter Oak Fire Insurance Co	25615	INSURER C : Phoenix Insurance Co.	25623	INSURER D : Trav Cas&Surety Co America	31194	INSURER E :		INSURER F :
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<b>INSURED</b> Coe & Van Loo Consultants, Inc CVL Consultanta Inc Coe and Van Loo LLC Coe and Van Loo II LLC 4550 N 12th St Phoenix, AZ 85014														

**COVERAGES**                      **CERTIFICATE NUMBER:**                      **REVISION NUMBER:**

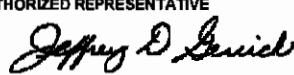
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> <b>Bkt AI &amp; WOS</b> <input checked="" type="checkbox"/> Contractual Liab. GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	Y	Y	6805J096015	06/01/2017	06/01/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
B	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> <b>Bkt AI</b> <input checked="" type="checkbox"/> Bkt WOS	Y	Y	BA6E511323	06/01/2017	06/01/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	XNUB4275T245	06/01/2017	06/01/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Architect/Engineer Professional Liab.	Y		106527323 RETRO: 5/31/83	06/01/2017	06/01/2018	Per Claim 2,000,000 Ann. Agg. 5,000,000

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

Town of Carefree, its representatives, agents, and employees are additional insured as indicated. Coverages afforded are primary and non-contributory basis. Waiver of subrogation included.

Attached: CGD381 09 15, CAT437 02 16, CAT340 02 15, WC000313

<b>CERTIFICATE HOLDER</b>  TOWNC04  Town of Carefree P.O. Box 740 Carefree, AZ 85377	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BLANKET ADDITIONAL INSURED (ARCHITECTS, ENGINEERS AND SURVEYORS)**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**1. The following is added to SECTION II – WHO IS AN INSURED:**

Any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:

- a. Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
- b. If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies, or in connection with premises owned by or rented to you.

The person or organization does not qualify as an additional insured:

- c. With respect to the independent acts or omissions of such person or organization; or
- d. For "bodily injury", "property damage" or "personal injury" for which such person or organization has assumed liability in a contract or agreement.

The insurance provided to such additional insured is limited as follows:

- e. This insurance does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this Coverage Part.
- f. This insurance does not apply to the rendering of or failure to render any "professional services".
- g. In the event that the Limits of Insurance of the Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement does not increase the limits of insurance described in Section III – Limits Of Insurance.

- h. This insurance does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

**2. The following is added to Paragraph 4.a. of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

The insurance provided to the additional insured is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover. However, if you specifically agree in the "written contract requiring insurance" that this insurance provided to the additional insured under this Coverage Part must apply on a primary basis or a primary and non-contributory basis, this insurance is primary to other insurance available to the additional insured which covers that person or organizations as a named insured for such loss, and we will not share with the other insurance, provided that:

- (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and
- (2) The "personal injury" for which coverage is sought arises out of an offense committed;

after you have signed that "written contract requiring insurance". But this insurance provided to the additional insured still is excess over valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under any other insurance.

**COMMERCIAL GENERAL LIABILITY**

3. The following is added to Paragraph 8., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage" or "personal injury" arising out of "your work" performed by you, or on your behalf, done under a "written contract requiring insurance" with that person or organization. We waive this right only where you have agreed to do so as part of the "written contract requiring insurance" with such person or organization signed by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense is committed.

4. The following definition is added to the **DEFINITIONS** Section:

"Written contract requiring insurance" means that part of any written contract under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a. After you have signed that written contract;
- b. While that part of the written contract is in effect; and
- c. Before the end of the policy period.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BLANKET ADDITIONAL INSURED**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM**

The following is added to Paragraph c. in A.1., **Who Is An Insured**, of SECTION II – COVERED AUTOS LIABILITY COVERAGE in the BUSINESS AUTO COVERAGE FORM and Paragraph e. in A.1., **Who Is An Insured**, of SECTION II – COVERED AUTOS LIABILITY COVERAGE in the MOTOR CARRIER COVERAGE FORM, whichever Coverage Form is part of your policy:

This includes any person or organization who you are required under a written contract or agreement

between you and that person or organization, that is signed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to name as an additional insured for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent of that person's or organization's liability for the conduct of another "insured".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BLANKET WAIVER OF SUBROGATION**

This endorsement modifies insurance provided under the following:

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

The following replaces Paragraph A.5., **Transfer of Rights Of Recovery Against Others To Us**, of the **CONDITIONS** Section:

**5. Transfer Of Rights Of Recovery Against Others To Us**

We waive any right of recovery we may have against any person or organization to the extent

required of you by a written contract executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of the operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.



ONE TOWER SQUARE  
HARTFORD, CT 06183

**WORKERS COMPENSATION  
AND  
EMPLOYERS LIABILITY POLICY**

**ENDORSEMENT WC 00 03 13 (00)-01**

POLICY NUMBER: (XNOB-4275T24-5-17)

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

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

**SCHEDULE**

**DESIGNATED PERSON:**

**DESIGNATED ORGANIZATION:**

**ANY PERSON OR ORGANIZATION FOR WHICH THE INSURED HAS  
AGREED BY WRITTEN CONTRACT EXECUTED PRIOR TO LOSS TO FURNISH  
THIS WAIVER.**

DATE OF ISSUE: 06-01-17

ST ASSIGN:

**EXHIBIT A**

**SCOPE OF WORK**

**CAREFREE WATER SYSTEM EVALUATION AND  
FINANCIAL ASSESSMENT**

The Engineer shall perform a study to determine the feasibility of extending water service to "Neighborhood A" (also known as "Southwest Carefree") which is within the Town of Carefree limits but is currently being served potable water by Cave Creek.

The scope of this project in the original Request for Proposals included performing a water system evaluation, condition assessment, and financial assessment for providing service to Neighborhood A and two additional neighborhoods identified as Neighborhoods B and C ("West Carefree" and "Northwest Carefree" respectively). These neighborhoods are within the Town limits but are also currently being served water by Cave Creek. Based on budget constraints, Carefree is pursuing a modification to the original work scope to remove Neighborhood B & C from the study at this time. The evaluation and assessment of incorporating these two neighborhoods into the Town water system will be performed in subsequent phases of the project and under a separate contract or contract modification.

The work under this Contract will consist of performing the following generalized tasks as outlined below:

- Perform the necessary investigations to assess the value of the existing water infrastructure in Neighborhood A.
- Complete an engineering analysis of up to three alternatives to extend service from the Carefree Water Company to Neighborhood A.
- For each alternative developed, prepare an engineering cost estimate of the improvements needed to provide service by the Carefree Water Company to Neighborhood A.
- Identify financing options for the cost of transferring service for this neighborhood from Cave Creek to the Carefree Water Company.
- Perform a financial analysis and rate study to determine the future rate structures for the existing customers residing in the neighborhood and the impact to the existing Carefree Water Company customers that would result from this transfer of water service. The analysis will include the repayment costs that would result from implementing this work.
- All work shall be summarized in a report complete with exhibits, tables and spreadsheets necessary to adequately describe the findings.
- Attend progress meetings; make presentations to Staff, stakeholders and the Town Council as presented in the master schedule, attached as Exhibit C.
- CVL will be assisted by Burgess & Niple, Inc. (B&N), Willdan, and Controlled Energy Engineers, LLC (CEE) in performing these tasks as described below.
- The work shall be completed in 9-months as shown in the attached Exhibit C.



The following is a detailed description of the Scope of Work by task:

## **TASK 1 - INVENTORY & CONDITION ASSESSMENT WITHIN NEIGHBORHOOD A**

### General Task Description

Produce an inventory and condition assessment of the existing water system infrastructure in Neighborhood A and assess the value of this infrastructure. This task will be performed by B&N as sub-consultants to CVL.

#### **Task 1.1 Kick-Off Meeting**

B&N and CVL will attend a kick-off meeting for the project. Meeting minutes will be prepared by the team. Design, progress and presentation meetings are identified in other tasks.

- Meet with Town staff for a preliminary overview and understanding of the project. Project goals and schedule will be discussed.

#### **Task 1.2 Obtain/Review Record Drawings & Inventory Data**

B&N will prepare a database inventory of the assets located within Neighborhood A. At a minimum, these assets will consist of water main, valves, hydrants, meter services, pump station and pressure reducing valve (PRV) stations and their subcomponents. Additional useful information to be obtained may include Cave Creek GIS data, O&M manuals and development documents.

- Review and inventory all water system features, initially using record drawings provided by Town and Cave Creek for the project area.
- Identify areas where record drawings or facility information may require further investigation.
- Coordinate with Town staff to fill record drawing "gaps" identified by the engineering team.

#### **Task 1.3 Field Meeting Between Carefree and Cave Creek**

The team will attend a field meeting with both Carefree and Cave Creek staff to review and assess the condition of visible assets within Neighborhood A. Visible assets will include pump and PRV stations, and a representative sampling of the meter services.

- As part of the field meeting, inspect water system facilities in the project area and assess the condition of these facilities.

#### **Task 1.4 Condition Assessment of Pipelines and Stations**

The team will assess the condition of pipelines and appurtenances, along with pump and PRV stations, within Neighborhood A. The assessment will be based on a variety of

parameters to establish the failure pattern and ultimately the remaining useful life of these assets using the following metrics:

- Field inspections and documentation.
- Maintenance records or other service/repair documentation obtained from Cave Creek Water or other sources to assist in the assessment of the condition of the existing water infrastructure.
- Linear/buried asset condition assessments for the pipelines in the project area.
- Estimation of the remaining useful life for the various facilities and features in the project area.

#### **Task 1.5 Document Infrastructure Concerns**

The team will analyze the record information, inventory and condition assessment data to identify those infrastructure concerns that present a risk for estimated remaining useful life and accurate valuation.

- Document any infrastructure concerns identified during the condition assessment.

#### **Task 1.6 Presentation to Staff**

The team and CVL will present the work results of Task 1 Inventory and Condition Assessment for Neighborhood A to Town staff. The presentation will explain the inventory and condition assessment approach and findings, and will specifically identify the projected useful remaining life of the assets within the neighborhood. Areas of concern and associated risk will be discussed, along with approaches to mitigate concerns/risk.

### **TASK 2 - EVALUATE SERVICE TO NEIGHBORHOOD A**

#### General Task Description

Complete an engineering analysis of up to three (3) alternatives to serve Neighborhood A.

#### **Task 2.1 Gather Existing Cave Creek Water Operating Parameters**

Gather data regarding existing system pressures, pressure zones, flow capacities, etc., in Neighborhood A and adjacent the Carefree Water system. Define operating parameters for the neighborhood with Carefree Water input.

#### **Task 2.2 Investigate Alternatives for Carefree Water to Serve Neighborhood A**

Participate with Carefree in discussions with adjacent water systems (Cave Creek Water, City of Scottsdale) regarding the viability of additional future interconnections.

Gather data from these adjacent water systems to determine the specific interconnection capabilities and operating parameters/limitations (operating pressures, peak flow rates, delivery scenarios such as under normal operating conditions, emergency conditions only, etc.).

Determine the most cost-effective alternatives. Alternatives may include:

- Pipeline improvements within the existing Neighborhood A service area and the adjacent Carefree Water system.
- Supplemental water storage tank capacity.
- New booster pump stations and improvements to existing booster pump station facilities.
- Interconnections with the existing adjacent water distribution system at various locations including the potential for a City of Scottsdale water system interconnection (e.g.: along the Carefree Highway alignment).

#### **Task 2.3 Modeling to Identify Impacts to the Existing Carefree Water Company System**

Obtain and modify as necessary the existing Town computer model to identify and assess the water service alternatives developed above for Neighborhood A and, for each alternative proposed, quantify the impacts on the existing Carefree Water system.

- CVL will use InfoWater modeling software to accomplish this task. Demand scenarios to be investigated include average day, max day, peak hour and fire flow demands.
- Calibration of the model will be accomplished by using fire hydrant flow tests and the incorporation of actual booster pump curves. Hydraulic Grade Lines (HGL) will be established for each of the Carefree Water pressure zones.

All alternatives developed to serve each subarea will include a risk discussion that addresses the difficulty in implementing the alternative, the probability of the alternative not being a permanent or long-term solution, and the reliability of the alternative.

#### **Task 2.4 Presentation Meeting #2**

Our findings will be summarized and presented to Carefree staff in Presentation Meeting #2.

#### **Task 2.5 Develop Final Water Model and Summary Report**

Upon receipt of comments and input from Carefree, CVL will develop a final water model for the recommended service alternatives and prepare a finding summary report.

### **TASK 3 – PRELIMINARY/COMPREHENSIVE COST ESTIMATES**

#### General Task Description

Prepare preliminary cost estimates for each of the alternatives identified under Task 2. Prepare final, comprehensive cost estimates for the selected alternatives.

#### **Task 3.1 Cost of Implementing Service to Neighborhood A to Include:**

- The estimated cost to acquire the neighborhood from Cave Creek Water.
- Construction costs to separate the neighborhood water service from Cave Creek Water.

- Construction costs to implement all Task 2 alternatives to serve this neighborhood by Carefree Water.
- Costs to install new, standardized meters and accounts for all customers within the neighborhood consistent with Carefree Water's current water metering system.
- Construction costs to correct system deficiencies, if any, including life span deficiencies, and to bring those deficiencies to reasonable standards.
- Design and bidding costs.
- A reasonable level of contingencies based on the level of confidence in cost estimating.
- New connections and modifications to Carefree Water's Supervisory Control and Data Acquisition (SCADA) system. Add recommendations to the report and provide cost data.
- Land acquisition costs for new facilities. Major land acquisition shall include a preliminary site selection process and feasibility investigation.
- Any other costs identified during the investigation.
- Cost estimates will be to a level that can be used by the Carefree Water Board and the Town Council for financial decision-making and commitments that ultimately should be adequate to fund the transition in its entirety.
- Prepare recommendations, if advantageous, on a phased acquisition approach and/or a phased design/construction approach.

### **Task 3.2 Presentation Meeting #3**

Our findings will be summarized and presented to Staff in Presentation Meeting #3.

### **Task 3.3 Final Cost Estimates/Comprehensive Cost Summary**

Prepare a tabulation of final costs for the options reviewed in the tasks above that incorporate any comments or instructions received from Carefree. Assemble the final costs for the recommended service alternative into a comprehensive summary that will be used to develop the Task 4 rate studies and financial impacts. These improvements will be identified as a needed for the current year and in a 10- year forecast period.

## **TASK 4 FINANCIAL IMPACTS AND RATE STUDY**

### **Task 4.1 Willdan Rate Study**

#### General Task Description

Willdan will perform a financial impact analysis and rate study to determine future rate structures for Carefree Water customers incorporating the repayment of costs for providing potable water service to Neighborhood A. Include identifying financing options and financing costs associated with project funding.

Willdan's interactive approach will result in a customized Excel financial model that Carefree will retain, as well as a focused and tailored analysis of the Carefree Water's current rates, revenues, capital project and operational expenditures, debt commitments, reserve funding, and other financial data. The culmination of our analyses will be a comprehensive financial

management plan that develops projected system operating results for the next 5-10 fiscal years, and suggested rates for each of these years.

- Consolidate all cost estimates obtained from the completion of other tasks into a comprehensive cost summary, including the cost of financing, Bond Counsel, etc.
- Investigate financing and bonding options for Carefree Water to implement the transfer of potable water service.
- Recommend any debt restructuring that may be advantageous to Carefree Water or the project goals.
- Review and assess the current rate structure for Carefree Water customers.
- Prepare an analysis of required future water rates assuming both with and without the acquisition of the project area by Carefree Water. Incorporate the following items into the analysis:
  - The economy of scale obtained by increasing Carefree Water's customer base.
  - A reasonable assessment of any required incremental increases in staffing, maintenance effort, energy costs, water costs, etc., to operate a larger water system.
- In addition to the above analyses, assess the potential for variable rate structure alternative(s) that equitably distributes costs between existing and new Carefree Water customers.

Sound technical analysis is only one element of this process. It will be equally important to effectively and transparently communicate results and implications of the proposed rate structure to Carefree staff, Council and Board members, key stakeholders and, ultimately, to those that will be subject to new rates. Most of our projects incorporate significant community and/or stakeholder involvement and education efforts. Complicated technical analysis should be communicated in a manner that is easy to follow and understand by non-technical stakeholders.

#### **Task 4.2 Prepare Alternate Valuations and Coordinate with the Rate Study**

Based on the inventory of Neighborhood A assets and the related condition assessment, B&N will utilize two approaches to develop asset valuation of each subarea. Valuations will be utilized by Willdan in preparation of rate studies, and will include impact of existing Inter Governmental Agreements (IGA's) as determined by Carefree legal counsel.

- Valuation will be based on the Income Approach and Cost Approach.
- Coordinate with Carefree's legal staff for valuation advice consistent with existing IGA's. Overall system valuation will include the calculation and transfer of water rights consistent with the existing IGA's.

#### **Task 4.3 Presentation #4**

- Present findings to Carefree in a Progress Meeting to be coordinated with Willdan.

## **TASK 5 LEGAL REVIEW**

Carefree anticipates retaining the services of Michael Pearce, Esq, of Maguire, Pearce and Storey, PCL to perform this task. The CVL team will coordinate with Mr. Pearce, or other assigned legal counsel, throughout the project. Coordination items to be performed include the following:

- Water system information and evaluation for Neighborhood A.
- Anticipated current and buildout water demands.
- Required distribution system improvement to provide service to Neighborhood A.
- Distribution of meeting minutes, presentation materials, and draft reports for legal counsel's review.
- Communication and updates as necessary.

## **TASK 6 DOCUMENTATION AND COMMUNICATION**

### General Task Description

Regular meetings will be held during the life of the study. A comprehensive report will be prepared, detailing the results of the study. The study findings will be presented to Carefree staff, the Town Council/Carefree Water Board of Directors, and other interested parties.

### **Task 6.1 Progress Meetings**

Hold up to six (6) regular progress meetings with Carefree staff, stakeholders and elected representatives to report on the progress of the study. Discuss and obtain information required to complete the study. The scheduling of these meetings will be coordinated with Carefree staff.

### **Task 6.2 Draft Comprehensive Report**

Prepare draft versions of a comprehensive report documenting all aspects of the study and all results of the task work items for review and comment from Carefree staff, elected officials, and other interested parties.

### **Task 6.3 Presentation Meeting #5**

Present draft report to Carefree staff in Presentation Meeting #5

### **Task 6.4 Draft Final Comprehensive Report**

Finalize and publish a comprehensive report documenting the study results, incorporating comments received from Carefree staff, elected officials, and other interested parties.

### **Task 6.5 Present Final Study Results**

Present the final study results to Carefree staff, the Town Council/Carefree Water Board of Directors, and other interested parties.

**Task 6.6 Final Comprehensive Report**

Prepare a final comprehensive report from input received from Town Council. Provide copies of the report and all electronic files, as requested by Carefree in an acceptable format.

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**Reimbursable Expenses**

**Lump Sum**

Charges for prints, deliveries, mileage, computer services, reproductions, photo work, fire hydrant flow testing, and other fees not paid directly by the client will be billed on a lump sum basis in accordance with the Fee Schedule attached as Exhibit B.

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**SCOPE OF WORK ASSUMPTIONS**

The following assumptions were made in preparing this Scope of Work:

- The Town of Cave Creek will cooperate with the team by providing record drawings, maintenance records and staff institutional knowledge in a timely manner. Schedule impacts or delays caused by the Town of Cave Creek or other entities beyond the control of the team may extend the schedule or necessitate scope modification accordingly.
- The project scope includes the performance of a water system evaluation and financial assessment for Neighborhood A only.

ESTIMATE OF EFFORT AND COST

WATER SYSTEM EVALUATION FINANCIAL ASSESSMENT

TOWN OF CAREFREE, AZ

Manager	Task Description	Project Director / Manager \$160	Senior Project Engineer \$135	EIT IV \$115	Project Designer \$105	EIT I \$90		Clerical \$75	Total Labor Hours	CVL Fee	Subconsultant Fees	Total Project Fee
Laurin	<b>1.00 TASK 1 - INVENTORY/CONDITION ASSESSMENT</b>											
	1.01 Kick Off Meeting	8		8		4			20	\$2,560		\$2,560
	1.02 Review Record Drawings, Reports, Operational Data			16		8			24	\$2,560		\$2,560
	1.03 Field Meeting Carefree and Cave Creek		8						8	\$1,080		\$1,080
	1.06 Presentation #1	6	6			4			16	\$2,130		\$2,130
	B&N Consultant Fees TASK 1 (see attached scope and fees for subtasks 1.04, 1.05)								0	\$0	\$39,821	\$39,821
	Electrical Consultant Fees TASK 1 (see attached scope and fees)								0	\$0	\$1,300	\$1,300
	<b>Subtotal Labor Hours TASK 1</b>	<b>14</b>	<b>14</b>	<b>24</b>	<b>0</b>	<b>16</b>	<b>0</b>	<b>0</b>	<b>68</b>	<b>\$8,330</b>	<b>\$41,121</b>	<b>\$49,451</b>
	<b>Subtotal Labor Costs TASK 1</b>	<b>\$2,240</b>	<b>\$1,890</b>	<b>\$2,760</b>	<b>\$0</b>	<b>\$1,440</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,330</b>			
Laurin	<b>2.00 TASK 2 - EVALUATE SERVICE TO NEIGHBORHOOD A</b>											
	2.01 Gather Operating Parameters		8	8	5				21	\$2,525		\$2,525
	2.02 Neighborhood A Service Options	4	24	12	12				52	\$6,520		\$6,520
	2.03 Carefree Water Modeling	2	8	40		2			52	\$6,180		\$6,180
	2.04 Presentation #2	6	8		8	6	2		30	\$3,570		\$3,570
	2.05 Final Model and Findings Summary	4	12	32		8			56	\$6,660		\$6,660
									0	\$0		\$0
	B&N Consultant Fees TASK 2								0	\$0	\$3,986	\$3,986
	Electrical Consultant Fees TASK 2 for SCADA, Controls & Electrical Options								0	\$0	\$900	\$900
	<b>Subtotal Labor Hours TASK 2</b>	<b>16</b>	<b>60</b>	<b>92</b>	<b>25</b>	<b>16</b>	<b>0</b>	<b>2</b>	<b>211</b>	<b>\$25,455</b>	<b>\$4,886</b>	<b>\$30,341</b>
	<b>Subtotal Labor Costs TASK 2</b>	<b>\$2,560</b>	<b>\$8,100</b>	<b>\$10,580</b>	<b>\$2,625</b>	<b>\$1,440</b>	<b>\$0</b>	<b>\$150</b>	<b>\$25,455</b>			
Laurin	<b>3.00 TASK 3 - PRELIMINARY &amp; COMPREHENSIVE COST ESTIMATES</b>											
	3.01 Neighborhood A Implementation Costs	6	40			8			54	\$7,080		\$7,080
	3.02 Presentation #3	6	8		4		2		20	\$2,610		\$2,610
	3.03 Final Cost Estimate/Comprehensive Cost Summary	4	10			4			18	\$2,350		\$2,350
									0	\$0		\$0
									0	\$0	\$0	\$0
	Electrical Consultant Fees TASK 3								0	\$0	\$300	\$300
	<b>Subtotal Labor Hours TASK 3</b>	<b>16</b>	<b>58</b>	<b>0</b>	<b>4</b>	<b>12</b>	<b>0</b>	<b>2</b>	<b>92</b>	<b>\$12,040</b>	<b>\$300</b>	<b>\$12,340</b>
	<b>Subtotal Labor Costs TASK 3</b>	<b>\$2,560</b>	<b>\$7,830</b>	<b>\$0</b>	<b>\$420</b>	<b>\$1,080</b>	<b>\$0</b>	<b>\$150</b>	<b>\$12,040</b>			
Laurin	<b>4.00 TASK 4 - FINANCIAL IMPACTS &amp; RATE STUDY</b>											
	4.01 Willdan Consultant Fees TASK 4 (see attached scope & fees)									\$0	\$34,000	\$34,000
	4.02 B&N Consultant Fees TASK 4 (Prepare Alt. Valuations & Coord. With Rate Study)									\$0	\$9,168	\$9,168
	4.03 Presentation #4 (Effort included in Progress Meetings)											
	<b>Subtotal Labor Hours TASK 4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>\$43,168</b>	<b>\$43,168</b>
	<b>Subtotal Labor Costs TASK 4</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>			
Laurin	<b>5.00 TASK 5 - LEGAL REVIEW</b>											
	Team coordination with Michael Pearce part of other Tasks									\$0		\$0
	Town takes the lead in the performance of this Task									\$0		\$0
	<b>Subtotal Labor Hours TASK 5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Subtotal Labor Costs TASK 5</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>			
Laurin	<b>6.00 TASK 6 - DOCUMENTATION AND COMMUNICATION</b>											
	6.01 Project Management and Progress Meetings (6)	24		48					72	\$9,360		\$9,360
	6.02 Draft Report Preparation	2	8	60		8		8	86	\$9,620		\$9,620
	6.03 Presentation #5	8		8		4			20	\$2,560		\$2,560
	6.04 Draft Final Comprehensive Report	2	8	20		8	4		42	\$4,720		\$4,720
	6.05 Presentation to Town Council	8		12		4			24	\$3,020		\$3,020
	6.06 Final Comprehensive Report	2	4	4					10	\$1,320		\$1,320
									0	\$0		\$0
	B&N Consultant Fees TASK 6								0	\$0	\$18,160	\$18,160
	Electrical Consultant Fees TASK 6								0	\$0	\$1,650	\$1,650
	<b>Subtotal Labor Hours TASK 6</b>	<b>46</b>	<b>20</b>	<b>152</b>	<b>0</b>	<b>24</b>	<b>0</b>	<b>12</b>	<b>254</b>	<b>\$30,600</b>	<b>\$19,810</b>	<b>\$50,410</b>
	<b>Subtotal Labor Costs TASK 6</b>	<b>\$7,360</b>	<b>\$2,700</b>	<b>\$17,480</b>	<b>\$0</b>	<b>\$2,160</b>	<b>\$0</b>	<b>\$900</b>	<b>\$30,600</b>			
	<b>TOTAL LABOR HOURS TASKS 1 - 6</b>	<b>92</b>	<b>152</b>	<b>268</b>	<b>29</b>	<b>68</b>	<b>0</b>	<b>16</b>	<b>330</b>			
	<b>TOTAL LABOR FEES TASKS 1 - 6</b>	<b>\$14,720</b>	<b>\$20,520</b>	<b>\$30,820</b>	<b>\$3,045</b>	<b>\$6,120</b>	<b>\$0</b>	<b>\$1,200</b>		<b>\$76,425</b>	<b>\$109,285</b>	<b>\$185,710</b>
Laurin	Reimbursable Expenses CVL including fire hydrant flow testing											\$2,000
	<b>TOTAL CONTRACT AMOUNT</b>											<b>\$187,710</b>



EXHIBIT B-1 Town of Carefree Water System Evaluation and Financial Assessment Burgess & Niple, Inc						HOURS	EXPENSES				COST
	KEVIN CAMPANELLA	TRACY GRUNDEN	DANA BISCAN	PROJECT ENGINEER	DESIGN ENGINEER	TOTAL HOURS	MILES \$0.56/MI	SUBS	MISC	TOTAL EXPENSES	TOTAL FEE
	\$219	\$177	\$165	\$140	\$108		0.560				
<b>Task 1 Inventory and Condition Assessment Within Neighborhood A</b>											
Task 1.1 Kick off Meeting		4	4			8	70 MI			39	1,407
Task 1.2 Obtain/Review Record Drawings & Inventory Data	8	42	25			75				0	13,311
Task 1.3 Field Meeting Carefree and Cave Creek		8	8			16	70 MI			39	2,775
Task 1.4 Condition Assessment of Pipelines and Stations	18	42	34	13		107	70 MI			39	18,845
Task 1.5 Document Infrastructure Concerns		4				4				0	708
Task 1.6 Presentation to Staff		8	8			16	70 MI			39	2,775
<b>SUBTOTAL</b>	<b>26</b>	<b>108</b>	<b>79</b>	<b>13</b>	<b>0</b>	<b>226</b>	<b>280</b>	<b>0</b>	<b>0</b>	<b>157</b>	<b>39,821</b>
<b>Task 2 Evaluate Service to Neighborhood A</b>											
Task 2.2 Neighborhood A Service Options		3		18		21	70 MI			39	3,090
Task 2.5 Carefree Water System Modeling Report				6		6				0	896
<b>SUBTOTAL</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>24</b>	<b>0</b>	<b>27</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>3,986</b>
<b>Task 4 Financial Impacts and Study</b>											
Task 4.3 Prepare Neighborhood A Alternate Valuations (Income and Cost Approach)	16	32				48				0	9,168
<b>SUBTOTAL</b>	<b>16</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,168</b>
<b>Task 6 - Documentation and Communication</b>											
Task 6.1 Project Management and Progress Meetings		27				27	420 MI			235	5,014
Task 6.2 Draft Comprehensive Report	8	28	8			44				0	8,028
Task 6.3 Presentation to Staff/Stakeholders		6				6	70 MI			39	1,101
Task 6.4 Draft Final Comprehensive Report	2	8				10				0	1,854
Task 6.5 Presentation to Town Council		8				8	70 MI			39	1,455
Task 6.6 Final Comprehensive Report		4				4				0	708
<b>SUBTOTAL</b>	<b>10</b>	<b>81</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>99</b>	<b>560</b>	<b>0</b>	<b>0</b>	<b>314</b>	<b>18,160</b>
<b>TOTAL</b>	<b>52</b>	<b>224</b>	<b>87</b>	<b>37</b>	<b>0</b>	<b>400</b>	<b>910</b>	<b>0</b>	<b>0</b>	<b>510</b>	<b>71,135</b>

**Town of Carefree – Water and Wastewater Rate Study  
Proposed Project Team Hours and Professional Fees**

EXHIBIT B-2	D. Jackson	R. Schafer	D. Goral	Total
	Principal in Charge	Senior Consultant	Analyst	
	\$195	\$165	\$90	Hours
<b>Scope of Services</b>				
Task 4.1 – Project Kick-off, Data Acquisition & Assessment	8.0	8.0	8.0	24.0
Task 4.2 – Data Review and Rate Model Development	-	8.0	24.0	32.0
Task 4.3 – Consolidation of Cost Estimates from Engineers/Impacts	2.0	4.0	4.0	10.0
Task 4.4 – Assessment of Impact of Cave Creek Accts.	4.0	4.0	4.0	12.0
Task 4.5 – Assessment of Financing Options incl Restructuring of Debt	4.0	4.0	-	8.0
Task 4.6 – Determination of Revenue Requirements	2.0	2.0	2.0	6.0
Task 4.7 – Determination of User Characteristics/Customer Classes	-	4.0	4.0	8.0
Task 4.8 – Cost Functionalization, Classification, & Allocation	-	4.0	4.0	8.0
Task 4.9 – Demographic Bill Comparison	-	-	8.0	8.0
Task 4.10 – Alternative Rate Designs	8.0	8.0	8.0	24.0
Task 4.11 – Prep/Present Recommendations/Deliverables	14.0	8.0	16.0	38.0
Task 4.12 – Public Involvement/ Education/Communications	12.0	4.0	16.0	32.0
Task 4.13 – Project Management & Quality Control	4.0	6.0	-	10.0
<b>Subtotal Hours</b>	<b>58.0</b>	<b>64.0</b>	<b>98.0</b>	<b>220.0</b>
Task 4.1 – Project Kick-off, Data Acquisition & Assessment	1,560	1,320	720	3,600
Task 4.2 – Data Review and Rate Model Development	-	1,320	2,160	3,480
Task 4.3 – Consolidation of Cost Estimates from Engineers/Impacts	390	660	360	1,410
Task 4.4 – Assessment of Impact of Cave Creek Accts.	780	660	360	1,800
Task 4.5 – Assessment of Financing Options incl Restructuring of Debt	780	660	-	1,440
Task 4.6 – Determination of Revenue Requirements	390	330	180	900
Task 4.7 – Determination of User Characteristics/Customer Classes	-	660	360	1,020
Task 4.8 – Cost Functionalization, Classification, & Allocation	-	660	360	1,020
Task 4.9 – Demographic Bill Comparison	-	-	720	720
Task 4.10 – Alternative Rate Designs	1,560	1,320	720	3,600
Task 4.11 – Prep/Present Recommendations/Deliverables	2,730	1,320	1,440	5,490
Task 4.12 – Public Involvement/ Education/Communications	2,340	660	1,440	4,440
Task 4.13 – Project Management & Quality Control	780	990	-	1,770
<b>Subtotal Professional Fees</b>	<b>11,310</b>	<b>10,560</b>	<b>8,820</b>	<b>30,690</b>
Travel and Production Expenses				\$ 3,310
<b>Total Cost</b>				<b>34,000</b>
<b>Official Bid – Not to Exceed</b>				<b>\$ 34,000</b>

Fee Matrix

CEE Proposal # - P18013  
Client Project # -  
March 22, 2018

Task ID	Task Description	Direct Labor Hours						Reimburse Allowances	Direct Labor Costs	Burdened Labor Rate	Profit	Total Labor Hours	Task Total
		Rate A	Rate B	Rate C	Rate D	Rate E	Rate F						
		Electrical Professional Engineer / Principal (\$Hourly Rate)	Project Engineer/Est. (\$Hourly Rate)	Project Manager/Supt. (\$Hourly Rate)	Designer (in house)	Drafter (in house)	Administrative (\$Hourly Rate)						
		Hrs 64.9351	Hrs 55.6586	Hrs \$ 55.06	Hrs \$48.38	Hrs \$34.79	Hrs \$ 30.15			99%	10%		
<b>100</b>	<b>Electrical Design Tasks:</b>												
110	Coordination	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
111	Coordination, Engineer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
112	Coordination, Vendor	\$0	4.0 \$223	\$0	\$0	\$0	\$0	\$0	\$223	\$436	\$44	4 \$ 480.00	
113	Coordination, Utility	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
114	Coordination, Contractor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
115	Coordination, Review Engr Plans	\$0	1.0 \$56	\$0	\$0	\$0	\$0	\$0	\$56	\$109	\$11	1 \$ 120	
116	Coordination, Review Engr Specs	\$0	1.0 \$56	\$0	\$0	\$0	\$0	\$0	\$56	\$109	\$11	1 \$ 120	
120	Meeting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
121	Meeting, Attendance	8.0 \$619	8.0 \$445	\$0	\$0	\$0	\$0	\$0	\$965	\$1,891	\$199	16 \$ 2,080	
122	Meeting, Minutes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
130	Report	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
131	Report, DCR	4.0 \$280	\$0	\$0	\$0	\$0	\$0	\$0	\$280	\$509	\$51	4 \$ 660	
151	Report, Site Survey	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
140	Design	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
141	Design, Plans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
142	Design, Power Sys	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
145	Design, Specifications	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
148	Design, Cost Estimate	1.0 \$65	4.0 \$223	\$0	\$0	\$0	\$0	\$0	\$288	\$564	\$56	5 \$ 620	
150	Drafting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
151	Drafting, Standards	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
160	Site Visit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
160	Billing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
	<b>100 Subtotal</b>	<b>13.0 \$844</b>	<b>18.0 \$1,002</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,846</b>	<b>\$3,618</b>	<b>\$362</b>	<b>31 \$ 4,156</b>	

Task ID	Task Description	Rate A	Rate B	Rate C	Rate D	Rate E	Rate F	Reimburse Allowances	Direct Labor Costs	Burdened Labor Rate	Profit	Total Labor Hours	Task Total
<b>200</b>	<b>Bidding Tasks:</b>												
210	Coordination	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
211	Coordination, Engineer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
212	Coordination, Vendor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
213	Coordination, Utility	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
214	Coordination, Contractor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
220	Meeting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
221	Meeting, Attendance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
222	Meeting, Minutes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
240	Design, Addendum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
251	Drafting, Addendum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
280	Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
291	Misc, Billing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
	<b>200 Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

Task ID	Task Description	Rate A	Rate B	Rate C	Rate D	Rate E	Rate F	Reimburse Allowances	Direct Labor Costs	Burdened Labor Rate	Profit	Total Labor Hours	Task Total
<b>300</b>	<b>Construction Tasks:</b>												
		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -	
	<b>300 Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

Task ID	Task Description	Quantity (sheets/mileage, etc.)	Price per unit	Task Total
<b>400</b>	<b>Miscellaneous Costs:</b>			
401	Printing Costs (8.5"x11")			\$ -
402	Printing Costs (11"x17")			\$ -
403	Printing Costs (Arch D)			\$ -
404a	Mileage (Design)	318	0.535	\$ 170
404b	Mileage (CMA)	0	0.535	\$ -
405	Misc. Unforeseen Allowance		20	\$ -
406	Other			\$ -
	<b>400 Subtotal</b>			<b>\$ 170</b>

Task ID	Task Description	Direct Labor Hours						Reimburse Allowances	Direct Labor Costs	Burdened Labor Rate	Profit	Total Labor Hours	Total Misc Costs	Task Total
		Rate A	Rate B	Rate C	Rate D	Rate E	Rate F							
		Electrical Professional Engineer / Principal (\$Hourly Rate)	Project Engineer/Est. (\$Hourly Rate)	Project Manager/Supt. (\$Hourly Rate)	Designer (in house)	Drafter (in house)	Administrative (\$Hourly Rate)							
		Hrs \$ 64.94	Hrs \$ 55.66	Hrs \$ 55.66	Hrs \$48.38	Hrs \$34.79	Hrs \$ 30.15			99%	10%			
	<b>Grand Total</b>	<b>13.0 \$844</b>	<b>18.0 \$1,169</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,846</b>	<b>\$3,618</b>	<b>\$362</b>	<b>31</b>	<b>170 \$ 4,156</b>	

EXHIBIT A

ID	Task Mode	Task Name	Duration	Start	Finish	April 1 3/25	4/8	May 1 4/22	5/6	June 1 5/20	6/3	6/17	July 1 7/1	7/15	August 1 7/29	8/12	September 1 8/26	9/9	October 1 9/23	10/7	November 1 10/21	11/4	11/18	December 1 12/2	12/16	January 1 12/30
1																										
2	☆	<b>TASK 1 - INVENTORY &amp; CONDITIONS ASSESSMENT WITHIN NEIGHBORHOOD A</b>	32 days	Tue 4/24/18	Wed 6/6/18																					
4	☆	Kick Off Meeting	1 day	Tue 4/24/18	Tue 4/24/18																					
5	☆	Obtain/Review Record Drawings & Inventory Data	10 days	Wed 4/25/18	Tue 5/8/18																					
6	☆	Field Meeting Carefree and Cave Creek	1 day	Tue 5/1/18	Tue 5/1/18																					
7	☆	Condition Assessment of Pipelines	15 days	Tue 5/1/18	Mon 5/21/18																					
8	☆	Document Infrastructure Concerns	11 days	Tue 5/15/18	Tue 5/29/18																					
9	☆	Presentation to Staff	1 day	Wed 5/30/18	Wed 5/30/18																					
10	☆	Carefree Review/Comments	5 days	Thu 5/31/18	Wed 6/6/18																					
11																										
12	☆	<b>TASK 2 - EVALUATE SERVICE TO NEIGHBORHOOD A</b>	42 days	Tue 5/1/18	Wed 6/27/18																					
14	☆	Gather Operating Parameters	6 days	Tue 5/1/18	Tue 5/8/18																					
15	☆	Neighborhood A Service Options	6 days	Tue 5/1/18	Tue 5/8/18																					
16	☆	Carefree Water System Modeling Report	13 days	Wed 5/9/18	Fri 5/25/18																					
17	☆	Presentation to Staff/Stakeholders	1 day	Wed 5/30/18	Wed 5/30/18																					
18	☆	Carefree Review	10 days	Thu 5/31/18	Wed 6/13/18																					
19	☆	Final Model and Findings Summary	10 days	Thu 6/14/18	Wed 6/27/18																					
20																										
21	☆	<b>TASK 3 - PRELIMINARY/COMPREHENSIVE COST ESTIMATES</b>	29 days	Thu 6/28/18	Tue 8/7/18																					
23	☆	Cost of Implementation Neighborhood A	10 days	Thu 6/28/18	Wed 7/11/18																					
24	☆	Presentation to Staff/Stakeholders	1 day	Thu 7/12/18	Thu 7/12/18																					
25	☆	Carefree Review	12 days	Fri 7/13/18	Mon 7/30/18																					
26	☆	Final Cost Estimates/Comprehensive Cost Summary	6 days	Tue 7/31/18	Tue 8/7/18																					
27																										
28	☆	<b>TASK 4 - FINANCIAL IMPACTS &amp; STUDY</b>	61 days	Fri 7/6/18	Fri 9/28/18																					
30	☆	Investigate Financing/Bonding Options	5 days	Fri 7/6/18	Thu 7/12/18																					
31	☆	Review/Assess Carefree Rate Structure	5 days	Fri 7/6/18	Thu 7/12/18																					
32	☆	Alternate Valuation Methods	5 days	Fri 7/6/18	Thu 7/12/18																					
33	☆	Prepare Water Rates Analysis	30 days	Fri 7/6/18	Thu 8/16/18																					
34	☆	Presentation to Staff/Stakeholders	1 day	Fri 8/17/18	Fri 8/17/18																					
35	☆	Carefree Review	15 days	Mon 8/20/18	Fri 9/7/18																					
36	☆	Finalize Rates Analysis	15 days	Mon 9/10/18	Fri 9/28/18																					
37																										
38	☆	<b>TASK 5 - LEGAL REVIEW</b>																								
40	☆	[To be performed under separate contract with MaguirePearceStorey]																								
41																										
42	☆	<b>TASK 6 - DOCUMENTATION AND COMMUNICATION</b>	55 days	Mon 10/1/18	Fri 12/14/18																					
44	☆	Progress Meetings with Staff (6)	206 days	Fri 5/4/18	Fri 2/15/19																					
51	☆	Draft Comprehensive Report	20 days	Mon 10/1/18	Fri 10/26/18																					
52	☆	Presentation to Staff/Stakeholders	1 day	Fri 10/26/18	Fri 10/26/18																					
53	☆	Carefree Review	15 days	Mon 10/29/18	Fri 11/16/18																					
54	☆	Draft Final Comprehensive Report	10 days	Mon 11/19/18	Fri 11/30/18																					
55	☆	Presentation to Town Council	1 day	Tue 12/4/18	Tue 12/4/18																					
56	☆	Final Comprehensive Report	7 days	Wed 12/5/18	Thu 12/13/18																					
57	☆	Project Completion	0 days	Fri 12/14/18	Fri 12/14/18																					

Project: FINAL Carefree COMPRES Date: Thu 4/5/18 Critical Split Milestone Summary Manual Task Manual Summary Start-only Finish-only Critical