

# PROFESSIONAL SERVICES CONTRACT NO. GS-2017-0031 CITY OF GLOBE PROGRAM MANAGER AND CONSTRUCTION SERVICES for CAPITAL IMPROVEMENTS PROJECTS and GLOBE WATER SYSTEM IMPROVEMENTS

State	of Arizona ("C	<b>ity</b> "), and _						_ ("Contr	actor	").	
		2017, by	and between	en the City of	Glo	obe, a	munic	ipal corpo	ration	of	the
This	Professional	Services	Contract	("Contract"),	is	made	and	entered	into	as	of

#### WITNESSETH

WHEREAS, the City desires to contract for Program Management and Construction Services and for the contractor to serve as a "Consulting City Engineer"; and

WHEREAS, Contractor is duly qualified to perform the requested services; and

WHEREAS, funding for these projects is provided by the Water Infrastructure Finance Authority of Arizona (WIFA). See the attached WIFA package for requirements and details; and

WHEREAS, Contractor has agreed to provide the services and/or products as set forth in <a href="Exhibit"><u>Exhibit "A"</u> attached hereto and incorporated herein;</a>

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

## 1.0 DESCRIPTION, ACCEPTANCE, DOCUMENTATION

Contractor shall act under the authority and approval of the City Manager, or his designee, further named herein, to provide the professional services required by this Contract.

1.1 <u>Service Description</u>. The Contractor shall provide the requested services and/or products as set forth in <u>Exhibit "A"</u>, and shall do so in a good, workmanlike, and substantial manner and to the satisfaction of the City under the direction of the City Manager or his designee.

All work performed by the Contractor shall be completed to WIFA requirements and local codes and regulation per the City of Globe, Gila County and the State of Arizona.

# 1.2 <u>Acceptance and Documentation</u>.

- 1.2.1 Each deliverable shall be reviewed and approved by the City Manager or his designee to determine acceptable completion.
- 1.2.2 The City shall provide all necessary information to the Contractor for timely completion of the tasks specified in Item 1.1 above.
- 1.2.3 All documents, including but not limited to, data compilations, studies, and/or reports, which are prepared in the performance of this Contract are to be, and remain, the property of the City, and are to be delivered to the City Manager before final payment is made to the Contractor.
- 1.2.4 To the extent that the terms and conditions of this Contract conflict with the Terms and Conditions of Exhibit "A", the terms and conditions of this Contract will prevail and govern the contractual relationship between the parties.

## 2.0 FEES, CATEGORIES OF SERVICE AND PAYMENTS

## 2.1 <u>Billing Records, Fees</u>

The invoice shall include a detail of projects worked on.

Contractor will be paid within 30 days of the receipt of an itemized invoice, for a total not to exceed contract price of \$\_\_\_\_\_.

- 2.2 The City may elect to compensate Contractor for services based upon a fixed monthly fee, hourly rate, lump sum, or Not to Exceed (NTE) fee per Task Order. It is anticipated that the hourly rate services will be provided during the initial phases of any PM assignment until the scope of services can be defined and agreed to by the parties under a fixed monthly fee or lump sum fee. In no event shall the annual, aggregate fee exceed the amount set forth in Section 2.1 without the execution of a written Change Order.
- 2.3 The City shall pay the Contractor in installments based upon monthly invoices submitted by the Contractor.
- 2.4 The City shall make payments to the Contractor within thirty (30) days after receipt of the detailed invoice and approval by the City Manager or his designee.
- 2.5 The City and Contractor may amend the Contract to provide lump sum services as agreed upon by the parties.
- 2.6 Hourly rates as set forth under this Contract may be adjusted each July 01, starting in 2018, based upon changes in the Metropolitan Phoenix Consumer Price Index.
- 2.7 <u>Term.</u> The contract commences on the date it is signed by the Mayor and remains in effect for a period of one year from that date, with an option to renew for two additional one year terms, upon agreement of both parties.

## 3.0 OWNER'S RESPONSIBILITIES

- 3.1 The City will designate a Representative during the term of this Contract. The City has the authority to administer this Contract and shall monitor compliance with all terms and conditions stated herein. All requests for information from or a decision by the City on any aspect of the work shall be directed to the City's Representative.
- 3.2 The City will make reasonable effort to review submittals by the Contractor and provide prompt response to questions and rendering of decisions pertaining thereto, to minimize delay in the progress of the Contractor's work. The City will keep the Contractor advised concerning the progress of the City's review of the work. The Contractor agrees that City's inspection, review, acceptance or approval of Contractor's work shall not relieve Contractor's responsibility for negligence of Contractor or its subcontractors or for compliance with the terms of this Contract.
- 3.3 Unless included in the Contractor's Work Scope, the Owner shall furnish the Contractor, gratis, the following information, equipment and facilities for the implementation of the work to be performed by this Contract:
  - 1. Copies of its maps, records, laboratory tests, survey ties, and benchmarks, or other data pertinent to the services.
  - 2. Use and access of facilities and equipment reasonably needed in the course of the assignment.
  - 3. Available City data relative to policies, regulations, standards, criteria, studies, etc., relevant to the project.

#### 4.0 SCHEDULE AND TERMINATION

4.1 **Project Schedule**: The Contractor shall perform the Scope of Work in accordance with the schedule under approved Task Orders that include project task order schedule.

#### 4.2 **Termination**:

- 4.2.1 Termination for Cause: The City may terminate this contract for a material breach of this Contract. The Contractor shall have a reasonable opportunity to cure such breach, not to exceed thirty (30) days. If the Contractor fails to comply with any WIFA requirements, industry standards, and customary practices and terms and conditions of this Contract, it shall be considered a material breach of this Contract. Unsatisfactory performance as judged by WIFA requirements, industry standards, and customary practices, and failure to provide City, upon request, with adequate assurances of future performance shall all be causes for the City to terminate this Contract for cause. In the event of termination for cause, City shall not be liable to Contractor for any amount, and Contractor shall be liable to City for any and all damages sustained by reason of the default which gave rise to the termination.
- 4.2.2 Termination for Violation of Law: In the event Contractor is in violation of any Federal, State, County or City law, regulation or ordinance, the City may terminate this Contract immediately upon giving notice to the Contractor.

4.2.3 Non-Appropriations Clause: Contractor acknowledges that the City is a governmental entity, and the Contract validity is based upon the availability of public funding under the City's authority. In the event that public funds are unavailable and not appropriated for the performance of the City's obligations under this Contract, then this Contract shall automatically expire, without penalty to the City after written notice to Contractor of the unavailability and non-appropriation of public funds; provided, however that the City shall remain liable for the services rendered by Contractor under this Contract and accepted material received by the City before the effective date of termination.

It is expressly agreed that the City shall only activate this non-appropriations provision as an emergency fiscal measure. The City shall not activate this non-appropriations provision for its convenience, to circumvent the requirements of this Contract, or to enable the City to contract with another Contractor for the same supplies or services covered under this Contract.

#### 5.0 GENERAL TERMS

- 5.1 <u>Entire Contract</u>. This Contract constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services and goods or products specified herein. This Contract may not be modified or amended except by a written document, signed by authorized representatives or each party. The Contract consists of:
  - The Contract
  - Water Infrastructure Finance Authority (WIFA) Contract Packet for Governmental Borrowers
  - MAG Uniform Standard Specifications & Details for Public Works Construction
  - Addenda
  - Change Orders

In the event of a conflict of language between the items, the documents shall govern in the order listed above. The Contract documents shall govern in all other matters not otherwise specified by the Contract between the parties.

5.2 <u>Arizona Law</u>. This Contract shall be governed and interpreted according to the laws of the State of Arizona. The parties further agree that the jurisdiction for any legal dispute arising out of this Contract shall be the Superior Court of the State of Arizona. The parties agree that even if this Contract does not specifically reference any provision required by state or federal law, those state and federally required provisions are incorporated into this Contract by this reference as though they were specifically listed herein.

Contractor shall maintain in current status all Federal, State and Local licenses and permits required to perform work and deliver materials required under this Contract.

- 5.3 <u>Modifications</u>. Any amendment, modification or variation from the terms of this Contract shall be in writing and shall be effective only after approval of all parties signing the original Contract.
- 5.4 <u>Assignment</u>. Services and goods or products covered by this Contract shall not be assigned or sublet in whole or in part without the prior written consent of the Purchasing Director and Contract Administrator.

- 5.5 <u>Successors and Assigns</u>. This Contract shall extend to and be binding upon Contractor, its successors and assigns, including any individual, company, partnership or other entity with or into which Contractor shall merge, consolidate or be liquidated, or any person, corporation, partnership or other entity to which Contractor shall sell its assets.
- 5.6 <u>Contract Administrator</u>. The Contract Administrator for the City shall be the City Manager or designee. The Contract Administrator shall oversee the execution of this Contract, assist the Contractor in accessing the organization, audit billings, and approve payments. The Contractor shall channel reports and special requests through the Contract Administrator.

## 5.7 Records and Audit Rights.

- 5.7.1 Contractor's records (hard copy, as well as electronic copy), and any other supporting evidence deemed necessary by the City to substantiate charges and claims related to this Contract shall be open to inspection and subject to audit and/or reproduction by City's authorized representative to the extent necessary to adequately permit evaluation and verification of cost of the work, and any invoices, change orders, payments or claims submitted by the Contractor or any of his payees pursuant to the execution of the Contract. The City's authorized representative shall be afforded access, at reasonable times and places, to all of the Contractor's records and personnel pursuant to the provisions of this article throughout the term of this Contract and for a period of three years after last or final payment.
- 5.7.2 Contractor shall require all subcontractors, insurance agents, and material suppliers to comply with the provisions of this article by insertion of the requirements hereof in a written contract between Contractor and such subcontractors, insurance agents, and material suppliers.
- 5.7.3 If an audit in accordance with this section, discloses overcharges, of any nature, by the Contractor to the City in excess of one percent (1%) of the monthly billings, the actual cost of the City's audit shall be reimbursed to the City by the Contractor. Any adjustments and/or payments which must be made as a result of any such audit or inspection of the Contractor's invoices and/or records shall be made within a reasonable amount of time, not to exceed thirty (30) days from presentation of City's findings to Contractor.
- 5.8 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Contract, or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.
- 5.9 <u>Ineligible Bidder</u>. The preparer of 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 Contractor on the solicitation for which they prepared the specification.

## 5.10 <u>Independent Contractor</u>.

- 5.10.1 The services and goods or products Contractor provides under the terms of this Contract to the City are that of an Independent Contractor, not an employee, or agent of the City. The City will report the value paid for these services and goods or products each year to the Internal Revenue Service (I.R.S.) using Form 1099.
- 5.10.2 City shall not withhold income tax as a deduction from contractual payments. As a result of this, Contractor may be subject to I.R.S. provisions for payment of estimated income tax. Contractor is responsible for consulting the local I.R.S. office for current information on estimated tax requirements.
- 5.10.3 Contractor warrants that he has obtained or will obtain Worker's Compensation Insurance for his employees working on this Contract and that any subcontractors (if permitted) shall likewise obtain Worker's Compensation Insurance for their employees working on this contract. Neither Contractor nor any employee of the Contractor shall be deemed an officer, employee, or agent of the City.
- 5.11 <u>Conflict of Interest</u>. Pursuant to A.R.S. §38-511-The City may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City's departments or agencies is, at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party to the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice from the City is received by all other parties to the contract, unless the notice specifies a later time.

# 5.12 Compliance with Federal and State Laws.

- 5.12.1 The Contractor understands and acknowledges the applicability to it of the American with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989.
- 5.12.2 Under the provisions of A. R. S. § 41-4401, Contractor hereby warrants to the City that the Contractor and each of its subcontractors will comply with, and are contractually obligated to comply with, all Federal Immigration laws and regulations that relate to their employees and A. R. S. § 23-214 (A) (hereinafter "Contractor Immigration Warranty").
- 5.12.3 A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract and shall subject the Contractor to penalties up to and including termination of this Contract at the sole discretion of the City.
- 5.12.4 The City retains the legal right to inspect the papers of any Contractor or Subcontractors employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any such inspections.
- 5.12.5 The City may, at is sole discretion, conduct random verification of the employment records of the Contractor and any subcontractors to ensure compliance with Contractor's Immigration Warranty. Contractor agrees to assist the City in regard to any random verifications performed.

- 5.12.6 Neither the Contractor nor any subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if the Contractor or subcontractor establishes that it has complied with the employment verification provisions prescribed by section 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A. R. S. § 23-214, Subsection A.
- 5.12.7 The provisions of this Article must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services or goods or products 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.
- 5.12.8 The provisions of this Section 5.12 must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services or goods or products under this Contract or any subcontract.
- 5.13 <u>Israel Boycott Certification</u>. Contractor hereby certifies that it is not currently engaged in and will not, for the duration of this agreement, engage in a boycott of Israel as defined by A.R.S. §35-393.01. Violation of this certification by Contractor may result in action by City up to and including termination of this Contract.
- 5.14 <u>Notices</u>. All notices or demands required to be given pursuant to the terms of this Contract shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of Contractor:

In the case of City: City of Globe

150 N. Pine St. Globe, AZ 85501 Attn: City Manager

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

- 5.15 <u>Force Majeure</u>. Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.
- 5.16 <u>Taxes</u>. Contractor shall be solely responsible for any and all tax obligations which may result out of the Contractors performance of this Contract. The City shall have no obligation to pay any amounts for taxes, of any type, incurred by the Contractor.

- 5.17 <u>Advertising</u>. No advertising or publicity concerning the City using the Contractor's services or goods or products shall be undertaken without prior written approval of such advertising or publicity by the City Contract Administrator.
- 5.18 <u>Counterparts</u>. This Contract may be executed in one or more counterparts, and each originally executed duplicate counterpart of this Contract shall be deemed to possess the full force and effect of the original.
- 5.19 <u>Captions</u>. The captions used in this Contract are solely for the convenience of the parties, and do not constitute a part of this Contract and are not to be used to construe or interpret this Contract.
- 5.20 <u>Subcontractors</u>. The addition of subcontractors shall be subject to the prior approval of the City Manager on a case by case basis.

# 5.21 <u>Indemnification</u>.

- 5.21.1 To the fullest extent permitted by law, Contractor, its successors, assigns and guarantors, shall indemnify, defend, save, and hold harmless City of Globe, its agents, representatives, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, including but not limited to, damages for personal injury or personal property damage, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expense, related to, arising from or out of, or resulting from any negligent or intentional actions, acts, errors, mistakes or omissions caused in whole or part by Contractor relating to work or services or goods or products provided in the performance of this Contract, including but not limited to, any Subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable and any injury or damages claimed by any of Contractor's and Subcontractor's employees.
- 5.21.2 In the event the subject action alleges negligence on the part of the Contractor and/or the City, or any third parties not under contract with the Contractor, Contractor's obligations regarding the City's defense under this paragraph include only the reimbursement of the City's reasonable defense costs incurred to the extent of the Contractor's negligence as expressly determined by a final judgment, arbitration, award, order, settlement, or other final resolution. The Contractor shall not be responsible for warranties, guarantees, fitness for a particular purpose, breach of fiduciary duty, loss of anticipated profits or for economic, incidental or consequential damages to the City or any third party arising out of breach of contract, termination, or for any other reason whatsoever. Additionally, the Contractor shall not be responsible for acts and decisions of third parties, including governmental agencies, other than the Contractor's sub-consultants, that impact project completion and/or success.
- 5.21.3 Insurance provisions set forth in this Contract are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

## 5.22 Changes in the Work.

- 5.22.1 The City may at any time, as the need arises, order changes within the scope of the work without invalidating the Contract. If such changes increase or decrease the amount due under the contract documents, or in the time required for performance of the work, an equitable adjustment shall be authorized by written Change Order.
- 5.22.2 The City will execute a formal Change Order based on detailed written quotations from the Contractor for work related changes and/or a time of completion variance. All Change Orders shall be submitted to City for approval within ten (10) days of occurrence and are subject to prior written approval by the City.
- 5.22.3 Contract Change Orders are subject to the Rules and Procedures within the City's Procurement Code.
- 5.23 <u>Co-op Use of Contract</u>. In addition to the City of Globe, this Contract may be extended for use by other municipalities, government agencies and governing bodies, including the Arizona Board of Regents, and political subdivisions of the State. Any such usage by other entities may be in accord with the ordinances, charter and/or rules and regulations of the respective entity and the approval of the Contractor.
- 5.24 <u>Alternative Dispute Resolution</u>. If a dispute arises between the parties relating to this Contract, the parties agree to use the following procedure prior to either party pursuing other available remedies:
- 5.24.1 A meeting shall be held promptly between the parties, attended by individuals with decision-making authority regarding the dispute, to attempt in good faith to negotiate a resolution of the dispute.
- 5.24.2 If, within 30 days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will jointly appoint a mutually acceptable neutral person not affiliated with either of the parties (the "**neutral**"), seeking assistance in such regard if they have been unable to agree upon such appointment within 40 days from the initial meeting. The fees of the neutral shall be shared equally by the parties.
- 5.24.3 In consultation with the neutral, the parties will select or devise an alternative dispute resolution procedure ("ADR") by which they will attempt to resolve the dispute, and a time and place for the ADR to be held, with the neutral making the decision as to the procedure, and/or place and time (but unless circumstances require otherwise, not later than 60 days after selection of the neutral) if the parties have been unable to agree on any of such matters within 20 days after initial consultation with the neutral.
- 5.24.4. The parties agree to participate in good faith in the ADR to its conclusion as designated by the neutral. If the parties are not successful in resolving the dispute through the ADR, then the parties may agree to submit the matter to binding arbitration or a private adjudicator, or either party may seek an adjudicated resolution through the appropriate court.

- 5.25 <u>City-Provided Information and Services</u>. The City shall furnish the Contractor available studies, reports and other data pertinent to the Contractor's services or goods or products; obtain or authorize the Contractor to obtain or provide additional reports and data as required; furnish to the Contractor services of others required for the performance of the Contractor's services or provision of goods or products hereunder, and the Contractor shall be entitled to use and rely upon all such information and services provided by the City or others in performing the Contractor's services or provision of goods or products under this Agreement.
- 5.26 <u>Estimates and Projections</u>. In providing opinions of cost, financial analyses, economic feasibility projections, and schedules for potential projects, the Contractor has no control over cost or price of labor and material; unknown or latent conditions of existing equipment or structures that may affect operation and maintenance costs; competitive bidding procedures and market conditions; time or quality of performance or third parties; quality, type, management, or direction of operating personnel; and other economic and operational factors that may materially affect the ultimate project cost or schedule. Therefore, the Contractor makes no warranty that the City's actual project costs, financial aspects, economic feasibility, or schedules will not vary from the Contractor's opinions, analyses, projections or estimates. Contractor shall make every reasonable effort to provide accurate estimates and projections.
- 5.26 <u>Access</u>. The City shall arrange for access to and make all provisions for the Contractor to enter upon public and private property as required for the Contractor to perform services or provide goods or products hereunder.
- 5.27 <u>Third Parties</u>. The services to be performed by the Contractor are intended solely for the benefit of the City. No person or entity not a signatory to this Agreement shall be entitled to rely on the Contractor's performance of its services hereunder, and no right to assert a claim against the Contractor by assignment of indemnity rights or otherwise shall accrue to a third party as a result of this Agreement or the performance of the Contractor's services hereunder.
- **6.0 INSURANCE.** The Contractor shall procure and maintain, at Contractor's sole expense the following:
- 6.1 Commercial General Liability Insurance Policy with limits of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 in aggregate against claims for bodily injury, death and property damage and names the City of Globe, AZ as an additional insured (with corresponding endorsement relative to the additionally insured indemnification) in connection with the consulting services as provided herein.
- 6.2 Workers' Compensation coverage. Coverage includes Statutory, plus Coverage A: Each Accident, B: Each Employee and C: Disease, Each \$1,000,000.
- 6.3 Commercial automobile liability insurance for any owned, hired or non-owned autos, with a limit of not less than \$1,000,000 each accident (if Contractor performance hereunder requires driving for the City of Globe other than the commute to and from City facilities).
- 6.4 The Contractor shall keep said policies in force for the duration of the Contract and for any possible extension thereof. The policy shall not be suspended, voided canceled or reduced in coverage for the duration of the Contract and for any possible extension thereof without at least thirty (30) days' notice of cancellation of material change in coverage.

- 6.5 All carriers shall be approved to write insurance in the State of Arizona and possess a rating of not less than B= VI or better A.M. Best rating.
- 6.6 Within ten (10) days of the execution of this Contract, Contractor shall furnish any original Certificates of Insurance and corresponding endorsement(s) evidencing the required coverage to be in force on the date of this Contract.
- 6.7 Contractor shall furnish to the City of Globe any renewal Certificates of Insurance (if coverage has an expiration or renewal dates occurring during the term of this Contract).
- 6.8 The receipt of any Certificate of Insurance and endorsement does not constitute an agreement by the City of Globe that insurance requirements have been met.
- 6.9 The failure of Contractor to obtain Certificates or other insurance evidence from other contractors shall not be deemed a waiver by the City of Globe of any obligation hereunder.
- 6.10 The Contractor's liability under this Contract is not in any way limited by the insurance required by this Contract.
- 6.11 By requiring insurance herein, City of Globe does not represent that coverage and limits will be adequate to protect Contractor. City of Globe reserves the right to review any and all of the insurance policies and/or endorsements cited in this Contract but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Contract or failure to identify any insurance deficiency shall not relieve Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Contract.
- 6.12 If any work under this Contract is subcontracted in any way, Contractor shall execute a written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements set forth herein protecting the City of Globe and Contractor. Contractor shall be responsible for executing the agreement with Subcontractor and obtaining Certificates of Insurance verifying the insurance requirements.
- 6.13 Prior to commencing any work or services under this Contract, Contractor shall furnish to the City, a Certificate of Insurance, naming the City of Globe as Certificate Holder and identifying the Contract Number and Name.
- 6.14 The policies set forth in these requirements may provide coverage which contain deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to City of Globe. Contractor shall be solely responsible for any such deductible or self-insured retention amount. City of Globe, at its option, may require Contractor to secure payment of such deductible or self-insured retention by a surety bond or irrevocable and unconditional Letter of Credit.

# 7.0 SEVERABILITY AND AUTHORITY

7.1 <u>Severability</u> . If any term or provision unenforceable, then notwithstanding such illeremain in full force and effect and such term or provision.					
7.2 <u>Authority</u> . Each party hereby warrauthority to enter into and perform this Contract, has been properly authorized and empowered acknowledges that it has read this Contract, unde	to enter this Contract. Each party further				
Contractor shall be paid an amount not to exceed completion of projects as outlined in the Scope 2017-0031.	\$for of Services – Exhibit "A" – Contract No. GS-				
IN WITNESS WHEREOF, Contract No. GS-2017 hereinabove named, on this day of					
CITY OF GLOBE	CONTRACTOR.:				
By: Mayor	By: Name: Its:				
By: William J. Sims III, City Attorney					