

**CONSTRUCTION SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
DICKENS QUALITY DEMOLITION, L.L.C.**

THIS CONSTRUCTION SERVICES AGREEMENT (this "Agreement") is made as of January 14, 2014, between the Town of Fountain Hills, an Arizona municipal corporation (the "Town") and Dickens Quality Demolition, L.L.C., an Arizona limited liability company (the "Contractor").

RECITALS

A. Pursuant to Section 3-3-7(A) of the Town Code and the Town Procurement Policy, the Town solicited quotations from vendors (the "Quotation Request") for professional contracting services.

B. The Contractor responded to the Quotation Request by submitting a price quotation (the "Price Quotation"), a copy of which is attached hereto as Exhibit B and incorporated herein by reference, and the Town desires to enter into an Agreement with the Contractor to provide demolition and removal services for the prefabricated building located at 17137 East Falcon Drive in Fountain Hills, Arizona (the "Services").

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect for 30 days from the Notice to Proceed, but in no event later than April 14, 2014.
2. Scope of Work. Contractor shall provide the Services as set forth in the Scope of Work attached hereto as Exhibit A and incorporated herein by reference.
3. Reference Standards. The Contractor shall perform the Services required in conformance with (A) the "Uniform Standard Specifications for Public Works Construction," current edition as of the date of award of this Agreement and the Uniform Standard Details for Public Works Construction," current edition as of the date of award of this Agreement, each of which are sponsored and distributed by the Maricopa Association of Governments ("MAG") (collectively, the "MAG Specifications") and (B) any amendments, technical notes or supplements adopted by the Town (the "Town Specifications"), each of which are incorporated herein by reference. In the event of a conflict between the MAG Specifications and the Town Specifications, the Town Specifications shall prevail. All traffic affected by the work under this Agreement shall be regulated in accordance with the then-current version of the *City of Phoenix-*

*Traffic Barricade Manual* (the "Barricade Manual") which is incorporated herein by reference; provided, however, that this Agreement shall govern in a conflict with the terms of the Barricade Manual.

4. Inspection, Safety and Compliance. Contractor must inform itself fully of the conditions relating to the Services and the employment of labor thereon. Failure to do so will not relieve the Contractor of its obligation to furnish all material and labor necessary to carry out the provisions of this Agreement. Insofar as possible the Contractor, in carrying out its work, must employ such methods or means as will not cause any interruption of or interference with the work of any other contractor. Contractor affirms that it (i) has inspected the jobsite, (ii) has thoroughly reviewed the Agreement and (iii) is not relying on any opinions or representations of Town.

5. Compensation. The Town shall pay Contractor an aggregate amount not to exceed \$6,924.00 for the Services as set forth in the Contractor's Price Quotation, attached hereto as Exhibit B and incorporated herein by reference.

6. Payments. The Town shall pay the Contractor monthly, based upon work performed and completed to date, and upon submission and approval of invoices. All invoices shall document and itemize all work completed to date. All invoice statements shall include a record of time expended and work performed in sufficient detail to justify payment. The contract number must be referenced on all invoices.

7. Documents. All documents, including any intellectual property rights thereto, prepared and submitted to the Town pursuant to this Agreement shall be the property of the Town.

8. Contractor Personnel. Contractor shall provide adequate, experienced personnel, capable of and devoted to the successful completion of the Services to be performed under this Agreement. Contractor agrees to assign specific individuals to key positions. Contractor agrees that, upon commencement of the Services to be performed under this Agreement, key personnel shall not be removed or replaced without prior written notice to the Town. If key personnel are not available to perform the Services for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, Contractor shall immediately notify the Town of same and shall, subject to the concurrence of the Town, replace such personnel with personnel possessing substantially equal ability and qualifications.

9. Inspection; Acceptance. All work shall be subject to inspection and acceptance by the Town at reasonable times during Contractor's performance. The Contractor shall provide and maintain a self-inspection system that is acceptable to the Town.

10. Licenses; Materials. Contractor shall maintain in current status all federal, state and local licenses and permits required for the operation of the business conducted by the Contractor. The Town has no obligation to provide Contractor, its employees or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement. The Town has no obligation to provide tools, equipment or material to Contractor.

11. Performance Warranty. Contractor warrants that the Services rendered will conform to the requirements of this Agreement and to the highest professional standards in the field.

12. Indemnification. To the fullest extent permitted by law, the Contractor shall indemnify and hold harmless the Town and each council member, officer, employee or agent thereof (the Town and any such person being herein called an "Indemnified Party"), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims") to the extent that such Claims (or actions in respect thereof) are caused by or based upon the negligent acts, recklessness or intentional misconduct of the Contractor, its officers, employees, agents, or any tier of subcontractor in connection with Contractor's work or services in the performance of this Agreement. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

13. Insurance.

13.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of Contractor, Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Arizona pursuant to ARIZ. REV. STAT. § 20-206, as amended, with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, the Town does not represent that coverage and limits will be adequate to protect Contractor. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement 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 Agreement.

C. Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms

of this Agreement are satisfactorily performed, completed and formally accepted by the Town, unless specified otherwise in this Agreement.

E. Primary Insurance. Contractor's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three years past completion and acceptance of the services. Such continuing coverage shall be evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three-year period.

G. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers and employees for any claims arising out of the work or services of Contractor. Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

H. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the Town. Contractor shall be solely responsible for any such deductible or self-insured retention amount.

I. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, Contractor shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the Town and Contractor. Contractor shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

J. Evidence of Insurance. Prior to commencing any work or services under this Agreement, Contractor will provide the Town with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by Contractor's insurance insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The Town shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required

by this Agreement expire during the life of this Agreement, it shall be Contractor's responsibility to forward renewal certificates and declaration page(s) to the Town 30 days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing Agreement Number C2014-140. A \$25.00 administrative fee shall be assessed for all certificates or declarations received without a reference to Agreement Number C2014-140. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing Agreement Number C2014-140 will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

(1) The Town, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:

(a) Commercial General Liability - Under Insurance Services Office, Inc., ("ISO") Form CG 20 10 03 97 or equivalent.

(b) Auto Liability - Under ISO Form CA 20 48 or equivalent.

(c) Excess Liability - Follow Form to underlying insurance.

(2) Contractor's insurance shall be primary insurance with respect to performance of the Agreement.

(3) All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against Town, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Contractor under this Agreement.

(4) ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

### 13.2 Required Insurance Coverage.

A. Commercial General Liability. Contractor shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired 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 shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof,

including but not limited to, separation of insured's clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement form CG 20 10 03 97, or equivalent, which shall read "Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you." If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. Contractor shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on Contractor's owned, hired and non-owned vehicles assigned to or used in the performance of the Contractor's work or services under this Agreement. Coverage will be at least as broad as ISO coverage code "1" "any auto" policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Contractor engages in any professional services or work adjunct or residual to performing the work under this Agreement, the Contractor shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Contractor, or anyone employed by the Contractor, or anyone for whose negligent acts, mistakes, errors and omissions the Contractor is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate.

D. Workers' Compensation Insurance. Contractor shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Contractor's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

13.3 Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or be materially changed without 30 days' prior written notice to the Town.

14. Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and a suit pertaining to this Agreement may be brought only in courts in Maricopa County, Arizona.

15. Termination; Cancellation.

15.1 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause after receipt by Contractor of written notice by the Town. Upon termination for convenience, Contractor shall be paid for all undisputed services performed to the termination date.

15.2 For Cause. If either party fails to perform any obligation pursuant to this Agreement and such party fails to cure its nonperformance within 30 days after notice of nonperformance is given by the non-defaulting party, such party will be in default. In the event of such default, the non-defaulting party may terminate this Agreement immediately for cause and will have all remedies that are available to it at law or in equity including, without limitation, the remedy of specific performance. If the nature of the defaulting party's nonperformance is such that it cannot reasonably be cured within 30 days, then the defaulting party will have such additional periods of time as may be reasonably necessary under the circumstances, provided the defaulting party immediately (A) provides written notice to the non-defaulting party and (B) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event shall any such cure period exceed 90 days. In the event of such termination for cause, payment shall be made by the Town to the Contractor for the undisputed portion of its fee due as of the termination date.

15.3 Due to Work Stoppage. This Agreement may be terminated by the Town upon 30 days' written notice to Contractor in the event that the Services are permanently abandoned. In the event of such termination due to work stoppage, payment shall be made by the Town to the Contractor for the undisputed portion of its fee due as of the termination date.

15.4 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Town or any of its departments or agencies is, at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any capacity or a contractor to any other party of the Agreement with respect to the subject matter of the Agreement.

15.5 Gratuities. The Town may, by written notice to the Contractor, cancel this Agreement if it is found by the Town that gratuities, in the form of economic opportunity, future employment, entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer, agent or employee of the Town for the purpose of securing this Agreement. In the event this Agreement is canceled by the Town pursuant to this provision, the Town shall be entitled, in addition to any other rights and remedies, to recover and withhold from the Contractor an amount equal to 150% of the gratuity.

15.6 Agreement Subject to Appropriation. This Agreement is subject to the provisions of ARIZ. CONST. ART. IX, § 5 and ARIZ. REV. STAT. § 42-17106. The provisions of this Agreement for payment of funds by the Town shall be effective when funds are appropriated for purposes of this Agreement and are actually available for payment. The Town shall be the

sole judge and authority in determining the availability of funds under this Agreement and the Town shall keep the Contractor fully informed as to the availability of funds for the Agreement. The obligation of the Town to make any payment pursuant to this Agreement is a current expense of the Town, payable exclusively from such annual appropriations, and is not a general obligation or indebtedness of the Town. If the Town Council fails to appropriate money sufficient to pay the amounts as set forth in this Agreement during any immediately succeeding fiscal year, this Agreement shall terminate at the end of then-current fiscal year and the Town and the Contractor shall be relieved of any subsequent obligation under this Agreement.

16. [INTENTIONALLY OMITTED.]

17. Miscellaneous.

17.1 Independent Contractor. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the Town. Contractor, its employees and subcontractors are not entitled to workers' compensation benefits from the Town. The Town does not have the authority to supervise or control the actual work of Contractor, its employees or subcontractors. The Contractor, and not the Town, shall determine the time of its performance of the services provided under this Agreement so long as Contractor meets the requirements of its agreed Scope of Work as set forth in Section 2 above and in Exhibit A. Contractor is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. Town and Contractor do not intend to nor will they combine business operations under this Agreement.

17.2 Laws and Regulations. The Contractor shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Contractor is responsible abides by, and remains in compliance with, all rules, regulations, ordinances, statutes or laws affecting the Services, including, but not limited to, the following: (A) existing and future Town and County ordinances and regulations; (B) existing and future State and Federal laws; and (C) existing and future Occupational Safety and Health Administration standards.

17.3 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the Town and the Contractor.

17.4 Provisions Required by Law. Each and every provision of law and any clause required by law to be in the Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Agreement will promptly be physically amended to make such insertion or correction.

17.5 Severability. The provisions of this Agreement are severable to the extent that any provision or application held to be invalid by a Court of competent jurisdiction shall not

affect any other provision or application of the Agreement which may remain in effect without the invalid provision or application.

17.6 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting the Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of, and entry into this Agreement.

17.7 Assignment; Delegation. No right or interest in this Agreement shall be assigned or delegated by Contractor without prior, written permission of the Town, signed by the Town Manager. Any attempted assignment or delegation by Contractor in violation of this provision shall be a breach of this Agreement by Contractor.

17.8 Subcontracts. No subcontract shall be entered into by the Contractor with any other party to furnish any of the material or services specified herein without the prior written approval of the Town. The Contractor is responsible for performance under this Agreement whether or not subcontractors are used. Failure to pay subcontractors in a timely manner pursuant to any subcontract shall be a material breach of this Agreement by Contractor.

17.9 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of and payment for services, shall not release the Contractor from any responsibilities or obligations imposed by this Agreement or by law, and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

17.10 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement 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 enforced whether or not such action is prosecuted through judgment.

17.11 Liens. All materials or services shall be free of all liens and, if the Town requests, a formal release of all liens shall be delivered to the Town.

17.12 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Contractor any amounts Contractor owes to the Town for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset from any money due to the Contractor any amounts Contractor owes to the Town for delinquent fees, transaction privilege taxes and property taxes, including any interest or penalties.

17.13 Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (C) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to the Town:           Town of Fountain Hills  
                                  16705 East Avenue of the Fountains  
                                  Fountain Hills, Arizona 85268  
                                  Attn: Kenneth W. Buchanan, Town Manager

With copy to:            GUST ROSENFELD, P.L.C.  
                                  One East Washington Street, Suite 1600  
                                  Phoenix, Arizona 85004-2553  
                                  Attn: Andrew J. McGuire, Esq.

If to Contractor:        Dickens Quality Demolition, L.L.C.  
                                  1111 North 19th Avenue  
                                  Phoenix, Arizona 85009  
                                  Attn: Richard L. Dickens

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

17.14 Confidentiality of Records. The Contractor shall establish and maintain procedures and controls that are acceptable to the Town for the purpose of ensuring that information contained in its records or obtained from the Town or from others in carrying out its obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or

employees, except as required to perform Contractor's duties under this Agreement. Persons requesting such information should be referred to the Town. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Contractor as needed for the performance of duties under this Agreement.

17.15 Records and Audit Rights. To ensure that the Contractor and its subcontractors are complying with the warranty under subsection 17.16 below, Contractor's and its subcontractors' books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of the Contractor and its subcontractors' employees who perform any work or Services pursuant to this Agreement (all the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 17.16 below. To the extent necessary for the Town to audit Records as set forth in this subsection, Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to Contractor pursuant to this Agreement. Contractor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this subsection. The Town shall give Contractor or its subcontractors reasonable advance notice of intended audits. Contractor shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

17.16 E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Contractor's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

17.17 Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among this Agreement, the Scope of Work and the Price Quotation, the documents shall govern in the order listed herein.

17.18 Non-Exclusive Contract. This Agreement is entered into with the understanding and agreement that it is for the sole convenience of the Town. The Town reserves the right to obtain like goods and services from another source when necessary.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

“Town”

TOWN OF FOUNTAIN HILLS,  
an Arizona municipal corporation

Kenneth W. Buchanan  
Kenneth W. Buchanan, Town Manager

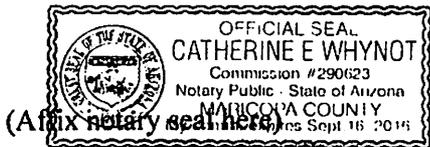
ATTEST:

Bevelyn J. Bender  
Bevelyn J. Bender, Town Clerk

(ACKNOWLEDGMENT)

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF MARICOPA    )

On this 15 day of January, 2014, before me personally appeared Kenneth W. Buchanan, the Town Manager of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document.



Catherine E. Whynot  
Notary Public

[SIGNATURES CONTINUE ON FOLLOWING PAGE]



EXHIBIT A  
TO  
CONSTRUCTION SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
DICKENS QUALITY DEMOLITION, L.L.C.

[Scope of Work]

See following page(s).

## SITE SPECIFIC WORK PLAN

The Contractor shall provide all labor, equipment and materials required to demolish the structures delineated in this document. Contractor shall also be responsible for the loading, transportation and disposal of all demolition debris in a State licensed landfill.

**Site Address:** Commercial Pre Fab Building  
17137 E. Falcon Drive  
Fountain Hills, Arizona

**Building Description:** The building is a roughly 1,200 square foot, pre-fab, wood frame structure with painted, pressed fiber board exterior siding and a sheet metal roof. The entry consists of a 240 square foot concrete pad with a wood frame canopy covered with rolled asphalt roofing. The floor consists of wood particle board on steel framing members on concrete supports. Floor coverings include vinyl floor tile, one small area of ceramic tile, and two small areas of vinyl sheet flooring. Interior walls are covered with wallpaper clad gypsum wallboard panels and panel joints are covered with joint strips (i.e. no joint tape and joint compound). Ceiling panels are gypsum wallboard panels covered with an acoustic texture. Insulation is fiberglass.

In addition to the demolition of the prefabricated structure and entry canopy, the demolition Contractor will be responsible for the removal, transportation, and disposal of the concrete supports, two (2) small concrete equipment pads, and the concrete pads and steps at the building's entry.

**Asbestos-Containing Materials:** The asbestos survey of the commercial structure did not identify the presence of any asbestos-containing materials.

The asbestos survey of the commercial structure was conducted by Robert Rehm (AHERA Building Inspector Certification No. F 8366, exp. date 10/04/2014), on December 12, 2013. A total of thirty (30) bulk material samples were collected from the structure. Bulk material samples were submitted to JRM environmental, Inc. for PLM analysis. These samples were analyzed on December 13, 2013.

### Site Conditions:

Storage:	Limited outdoor storage will be made available
Parking:	Limited parking will be made available
Water:	Water will be available on-site
Power:	Power will be available on site
Restroom:	Restrooms will be available at the site
Occupancy:	Unoccupied
Work Hours:	Contractor is to schedule all work Monday through Friday, between the hours of 7:00 am and 6:00pm.

The Contractor is responsible for inspecting the site to verify compatibility of his equipment and proposed operations with the available site services. In addition, the Contractor may wish to conduct a pre-job damage survey of the site.

**Project Schedule:** The work is to begin on or before January 20, 2013 and be completed no later than January 23, 2013 .

**EPA/NESHAP Notification:** Since the demolition phase of this project involves the demolition of a commercial structure, preparation and submittal of the EPA/NESHAP, 10-day notification form for this site will be required for the demolition portion of this project. The Demolition Contractor shall be responsible for the preparation and submittal of the EPA/NESHAP, 10-day notification form and for the costs associated with this notification.

**Additional Project Requirements:**

- \* The Contractor shall obtain a demolition permit from the Town of Fountain Hills. This permit will be provided at no cost to the Contractor. The Contractor shall obtain the demolition permit prior to proceeding with the demolition activities.
- \* The Contractor shall obtain a "dust control" permit from Maricopa County, if necessary. This permit shall be obtained prior to proceeding with the demolition activities.
- \* The Town of Fountain Hills/Engineer shall be responsible for the disconnection and abandonment of the water, propane, and electrical power connections to the building prior to demolition.
- \* The Contractor shall be responsible for the capping and final abandonment of the sewer line at the site in accordance with regulatory requirements. .
- \* The Contractor shall remove the specified concrete pads and building supports.
- \* The Contractor shall be responsible for the demolition, loading, transportation and disposal of all demolition debris in accordance with regulatory requirements. The demolition debris shall be transported to and disposed at a State licensed landfill.
- \* The Contractor is responsible for the loading, transportation and disposal of all trash and other debris within the demolition perimeter.
- \* The Contractor shall segregate all materials and substances identified as "hazardous" or "regulated" substances or materials from the demolition debris and place these materials in a separate location on the property for removal by others.
- \* The area within the demolition perimeter shall be rough graded and all depressions shall be filled in.

**Documentation:** The Contractor shall provide copies of the following documents to RECON Engineering.

- \* Contractor's State License
- \* Contractor's Insurance Certificate
- \* EPA/NESHAP, 10-Day Notification
- \* Town of Fountain Hills Demolition Permit
- \* Maricopa County Dust Control Permit, if required
- \* Copy of site sketch indicating the location of the capped/abandoned sewer line



Site: Commercial Pre Fab Building

Address: 17137 E. Falcon Drive

City, State: Fountain Hills, AZ

Proj. No: 13J-0056

RECON Engineering  
Engineering and Environmental  
Consultants

Scottsdale, Arizona

EXHIBIT B  
TO  
CONSTRUCTION SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
DICKENS QUALITY DEMOLITION, L.L.C.

[Price Quotation]

See following page(s).



**DICKENS QUALITY DEMOLITION, LLC**

*"Experts in all Aspects of Demolition"*

**Proposal**

**Date: December 31, 2013**

**Attention: Robert Rehm**

**Project: Fountain Hills Trailer Demo**

Dickens Quality Demolition will provide labor and all necessary equipment to accommodate the following:

- **Demolition and the removal of:** trailer, concrete pads, A/C unit, and capping of sewer. This bid includes a NESHAP, demo permit, dust control, necessary equipment, hauling, labor and supervision. This job will be performed Monday through Friday during the hours necessary to meet your schedule. **Please see items not included.**
- **Items not included:** bonds, water supply, barricades/traffic control, temp fence, layout, removal of gravel, M,P&E cutting and capping, and hazardous materials.

**The above project will be completed in an efficient and professional manner for the sum of: \$6,924.00**

1. NESHAP: \$650.00
2. DEMO: \$5,855.00
3. Sales Tax: \$419.00

Pricing will remain in effect for 60 (sixty) days from the above date. Dickens Quality Demolition assumes all salvage rights on the above project. Due to the current federal laws and regulations, the above project can not, and will not proceed without a proper hazardous materials survey on file at the office of Dickens Quality Demolition. If the above project involves any structural removal, a ten-day NESHAP notification must be filed with the county. Dickens Quality Demolition will be happy to assist the General Contractor/Building Owner in any way possible to help expedite necessary testing or notification requirements.

**This proposal is based on 1 mobilization. Additional phases will be charged at \$1,000.00 each.**

Any alterations or deviations from the specified scope of work will be completed upon written consent from authorized personnel. This proposal shall become part of the contract document and by signing you agree to all conditions listed within.



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Craig Kotrys

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Accepted by:

1111 N. 19<sup>th</sup> Avenue, Phoenix, Arizona 85009 (602) 258-8088 Fax (602) 258-8139  
www.fickensquality.com  
L57 123623 C22R 123622