



**TOWN OF CASTLE ROCK
SERVICES AGREEMENT
(Castle Rock Water Acoustic Sewer Line Assessment Program)**

DATE: _____.

PARTIES: **TOWN OF CASTLE ROCK**, a Colorado municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104 (the “Town”).

DRC CONSTRUCTION SERVICES, INC., a Colorado corporation, 4100 Rio Grande Ave., Sedalia, Colorado 80135 (“Contractor”).

RECITALS:

- A. Town wishes to engage Contractor to provide the services more fully described in the following Agreement and Exhibits.

TERMS:

Section 1. Scope of Services. Contractor shall provide sewer system condition assessment services as described in the attached *Exhibit 1* (“Services”).

Section 2. Payment. Contractor shall invoice Town on a monthly basis for the Services rendered in accordance with the rate and fee schedule set forth in *Exhibit 1*. The Town shall pay such invoices within 30 days receipt of such invoice. In no event shall payment exceed \$354,120.00, unless authorized in writing by Town.

Section 3. Completion. Contractor shall commence the Services on June 01, 2022 and complete the Services by December 31, 2022. Contractor shall devote adequate resources to assure timely completion of the Services. Contractor shall perform the Services under this Agreement using a standard of care, skill and diligence ordinarily used by reputable professionals performing under circumstances similar to those required by this Agreement.

Town shall have the right to terminate this Agreement at any time with 30 days written notice to Contractor. The Town’s only obligation in the event of termination shall be payment of fees and expenses incurred up to and including the effective date of termination. Contractor shall turn over all work product produced up to the date of termination.

Section 4. Annual Appropriation. The continuance of this Agreement is contingent upon the appropriation of funds to fulfill the requirements of the Agreement by the Town. If the Town fails to appropriate sufficient monies to provide for the continuance of the Agreement, the Agreement shall terminate on the final day preceding the date of the beginning of the first fiscal year for which funds are not appropriated. The Town’s only obligation in the event of termination shall be payment of fees and expenses incurred up to and including the effective date of termination.



Section 5. Subcontractors. Contractor may utilize subcontractors to assist with specialized works as necessary to complete the Services. Contractor will submit any proposed subcontractor and the description of their services to the Town for approval.

Section 6. Assignment. This Agreement shall not be assigned by Contractor without the written consent of the Town.

Section 7. Notice. Any notice required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if sent by certified mail or registered mail, postage and fees prepaid, addressed to the party to whom such notice is to be given at the address set forth on the first page of this Agreement, or at such other address as has been previously furnished in writing to the other party or parties. Such notice shall be deemed given when deposited in the United States mail.

Section 8. Insurance. Contractor agrees to procure and maintain, at his own cost, the following policy or policies of insurance. Contractor shall not be relieved of any liability, claims, demands or other obligations assumed pursuant to this Agreement by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types.

A. Contractor shall procure and maintain, and shall cause each subcontractor of the Contractor to procure and maintain a policy with the minimum insurance coverage listed below. Such coverage shall be procured and maintained with forms and insurers acceptable to the Town. All coverage shall be continuously maintained from the date of commencement of services hereunder. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.

1. Workers Compensation insurance to cover obligations imposed by the Workers Compensation Act of Colorado and any other applicable laws for any employee engaged in the performance of Work under this contract, and Employer's Liability insurance with minimum limits of FIVE HUNDRED THOUSAND DOLLARS (\$500,000) each accident, FIVE HUNDRED THOUSAND DOLLARS (\$500,000) disease-policy limit, and FIVE HUNDRED THOUSAND DOLLARS (\$500,000) disease-each employee.

2. Comprehensive General Liability insurance with minimum combined single limits of ONE MILLION DOLLARS (\$1,000,000) each occurrence and ONE MILLION DOLLARS (\$1,000,000) aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy shall contain a severability of interests provision.

3. Comprehensive Automobile Liability Insurance with minimum combined single limits for bodily injury and property damage of not less than ONE MILLION DOLLARS (\$1,000,000) each occurrence and ONE MILLION DOLLARS (\$1,000,000) aggregate with respect to each of Contractor's owned, hired and/or non-owned vehicles



assigned to or used in performance of the services. The policy shall contain a severability of interests provision.

4. Professional Liability insurance with minimum limits of ONE MILLION DOLLARS (\$1,000,000) per claim and ONE MILLION DOLLARS (\$1,000,000) aggregate.

B. The policies required above, except Workers' Compensation insurance, Employers' Liability insurance and Professional Liability insurance shall be endorsed to include the Town, its officers and employees, as an additional insured. Every policy required above, except Workers' Compensation and Professional Liability insurance, if applicable, shall be primary insurance, and any insurance carried by the Town, its officers, or its employees, shall be excess and not contributory insurance to that provided by Contractor. The additional insured endorsement for the Comprehensive General Liability insurance required above shall not contain any exclusion for bodily injury or property damage arising from completed operations. The Contractor shall be solely responsible for any deductible losses under each of the policies required above.

C. Certificates of insurance shall be completed by Contractor's insurance agent and submitted at the time of execution of this Agreement as *Exhibit 2* as evidence that policies providing the required coverage, conditions and minimum limits are in full force and effect, and shall be subject to review and approval by the Town. Each certificate shall identify the Project and shall provide that coverage afforded under the policies shall not be cancelled, terminated or materially changed until at least 30 days prior written notice has been given to the Town. If the words "endeavor to" appear in the portion of the certificate addressing cancellation, those words shall be stricken from the certificate by the agent(s) completing the certificate. The Town reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

D. Failure on the part of Contractor to procure or maintain policies providing the required coverage, conditions, and minimum limits shall constitute a material breach of contract upon which at the Town's discretion may procure or renew any such policy or any extended connection therewith, and all monies so paid by the Town shall be repaid by Contractor to the Town upon demand, or the Town may offset the cost of the premiums against any monies due to Contractor from the Town.

Section 9. Colorado Governmental Immunity Act. The parties understand and agree that the Town is relying on, and does not waive or intend to waive by any provision of this contract, the monetary limitations (presently \$424,000 per person, \$1,195,000 for two or more persons, per occurrence) or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S., as from time to time amended, or otherwise available to Town, its officers, or its employees.

Section 10. Indemnification. Contractor expressly agrees to indemnify and hold harmless Town or any of its officers or employees from any and all claims, damages, liability, or court awards including attorney's fees that are or may be awarded as a result of any loss, injury or damage sustained or claimed to have been sustained by anyone, including, but not limited to, any

person, firm, partnership, or corporation, to the extent caused by the negligent acts, errors or omissions of Contractor or any of their employees or agents in performing work pursuant to this Agreement. In the event that any such suit or action is brought against Town, Town will give notice within ten (10) days thereof to Contractor.

Section 11. Delays. Any delays in or failure of performance by any party of his or its obligations under this Agreement shall be excused if such delays or failure are a result of acts of God, fires, floods, strikes, labor disputes, accidents, regulations or orders of civil or military authorities, shortages of labor or materials, or other causes, similar or dissimilar, which are beyond the control of such party.

Section 12. Additional Documents. The parties agree to execute any additional documents or take any additional action that is necessary to carry out this Agreement.

Section 13. Entire Agreement. This Agreement represents the entire agreement between the parties and there are no oral or collateral agreements or understandings. This Agreement may be amended only by an instrument in writing signed by the parties. If any other provision of this Agreement is held invalid or unenforceable, no other provision shall be affected by such holding, and all of the remaining provisions of this Agreement shall continue in full force and effect.

Section 14. Time of the Essence. Time is of the essence. If any payment or any other condition, obligation, or duty is not timely made, tendered or performed by either party, then this Agreement, at the option of the party who is not in default, may be terminated by the non-defaulting party, in which case, the non-defaulting party may recover such damages as may be proper.

Section 15. Default and Remedies. In the event either party should default in performance of its obligations under this agreement, and such default shall remain uncured for more than 10 days after notice of default is given to the defaulting party, the non-defaulting party shall be entitled to pursue any and all legal remedies and recover its reasonable attorney's fees and costs in such legal action. In addition, no Party will be entitled to lost profits, economic damages, or actual, direct, incidental, consequential, punitive or exemplary damages in the event of a default.

Section 16. Waiver. A waiver by any party to this Agreement of the breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either party.

Section 17. Governing Law. This Agreement shall be governed by the laws of the State of Colorado in the Douglas County District Court.

Section 18. Independent Contractor. Contractor and the Town hereby represent that Contractor is an independent contractor for all purposes hereunder. Contractor represents and warrants that they are free from the Town's direction and control in the performance of their work or services and that they have an independent business doing the specific type of work or services which are the subject of this Agreement. More specifically, Contractor represents and warrants



that the Town does not control what work or services they will perform or the manner in which such work or services will be performed. As such, Contractor is not covered by any worker's compensation insurance or any other insurance maintained by Town except as would apply to members of the general public. Contractor shall not create any indebtedness on behalf of the Town.

Section 19. No Third Party Beneficiaries. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to Town and Contractor, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the parties that any person other than Town or Contractor receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Approved as to content:

Michael J. Hyman, Town Attorney

David L. Corliss, Town Manager

CONTRACTOR:

DRC CONSTRUCTION SERVICES, INC.

By: _____

Its: _____

EXHIBIT 1

SERVICES AND FEE SCHEDULE

Contractor shall conduct RH Borden's condition based acoustic sewer line assessment of the Town's sewer main infrastructure.

The Town will provide Contractor the following:

- Permission to open manholes and make assessments.
- A map of all manholes and sewer lines to be assessed including manhole locations and which sewer line segments are to be assessed.
- Ability to access the desired manhole locations.

The Contractor will conduct sewer line inspections using transmissive acoustics for the Town as follows:

- Sewer line Acoustic Transmissive Inspection services as specified in ASTM F3220 – 17 “Standard Practice for Prioritizing Sewer Pipe Cleaning Operations by Using Transmissive Acoustic Inspection”. These services will be accomplished by using the systems provided by InfoSense, Inc. using equipment known as Sewer Line Rapid Assessment Tools (SL-RAT).
- A detailed summary of each sewer line assessed including the following:
 - Unique Measurement Identification Number
 - Time and Date of Measurement
 - Length of pipe segment measured as measured by available Global Positioning Services (GPS).
 - GPS Location of Transmitter and Receiver at the time of measurement
- The Condition of the pipe will be reported on a scale including but not limited to a score of 0-10 as shown below:
 - 10 = Good - No significant obstructions within the pipe
 - 7-10 = Good – Minor impediments within the pipe such as joint offsets, partial sags, protruding laterals, debris, minor grease, and/or minor root fibers and/or other obstructions that could affect the score.
 - 4-6 = Impediments within the pipe such as joint offsets, partial sags, protruding laterals, debris, grease, and/or root fibers. Single or multiple occurrences and/or other obstructions that could affect the score.
 - 1-3 = Significant impediments within the pipe such as multiple joint offsets, near full pipe sag, multiple protruding laterals, significant debris, significant grease, significant root fibers and/or root balls. Single or multiple occurrences and/or other obstructions that could affect the score.



- 0 = Full pipe sag, single or multiple obstructions within the pipe reaching or nearly reaching the flow and/or other obstructions that could affect the score.
- The format of the final report shall be provided electronically as a hosted GIS dashboard.

The Contractor will perform a visual manhole inspection for each manhole for the Town as follows:

- Each manhole will be visually inspected and rated as Good, Poor, or Fair for the following attributes:
 - Proper seating of manhole lid
 - Condition of manhole collar
 - Condition of overall interior manhole structure
 - Condition of manhole shelf
 - Presence of infiltration
- Data from manhole inspections shall be added as attribute data along with the acoustic assessments in the GIS dashboard.
- The Contractor will obtain any necessary traffic control required for safe operation in roadways, bike paths or other public thoroughfares.
 - Any permitting necessary for work within the Right of Way will be obtained by Contractor

Item	Description	Qty	Unit	Unit Price	Total
1	SL RAT Acoustic Testing	1584000	LF	\$0.18	\$285,120.00
2	Manhole Inspections	6900	EA	\$10.00	\$69,000.00
TOTAL					\$354,120.00



EXHIBIT 2

CONTRACTOR'S CERTIFICATION OF INSURANCE

DRCCONS-01 ERINB

ACORD **CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)
12/17/2021

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 have ADDITIONAL INSURED provisions or 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).

PRODUCER Mountain West Insurance - Englewood 3575 S Sherman Street Englewood, CO 80113	CONTACT NAME: Tricia Bui PHONE (A/C, Ho, Ext): (303) 951-4586 FAX (A/C, No): (303) 762-1733 E-MAIL ADDRESS: triciab@mtnws.com														
INSURED DRC Construction Services Inc PO Box 640 Sedalia, CO 80135	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> <tr> <td>INSURER A : Employer's Mutual Casualty Company</td> <td>21415</td> </tr> <tr> <td>INSURER B : Pinnacle Assurance</td> <td>41190</td> </tr> <tr> <td>INSURER C : Navigators Insurance Company</td> <td>42307</td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Employer's Mutual Casualty Company	21415	INSURER B : Pinnacle Assurance	41190	INSURER C : Navigators Insurance Company	42307	INSURER D :		INSURER E :		INSURER F :	
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COVERAGES	CERTIFICATE NUMBER:	REVISION NUMBER:																					
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B WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/OWNER EXCLUDED? (Mandatory in NH) Y / N <input type="checkbox"/> N / A If yes, describe under DESCRIPTION OF OPERATIONS below	POLICY NUMBER 4206671 POLICY EFF (MM/DD/YYYY) 1/1/2022 POLICY EXP (MM/DD/YYYY) 1/1/2023	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td><input checked="" type="checkbox"/> PER STATUTE</td><td><input type="checkbox"/> OTHER</td></tr> <tr><td>E.L. EACH ACCIDENT</td><td>\$</td><td>1,000,000</td></tr> <tr><td>E.L. DISEASE - EA EMPLOYEE</td><td>\$</td><td>1,000,000</td></tr> <tr><td>E.L. DISEASE - POLICY LIMIT</td><td>\$</td><td>1,000,000</td></tr> </table>	<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										
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C Pollution Liability	POLICY NUMBER SF21ECPU00257NC POLICY EFF (MM/DD/YYYY) 2/1/2021 POLICY EXP (MM/DD/YYYY) 2/1/2022	Included \$ 1,000,000																					

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

CERTIFICATE HOLDER Town Of Castle Rock Utilities Department 175 Kellogg Ct Castle Rock, CO 80109	CANCELLATION 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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