

**TOWN OF CASTLE ROCK  
SERVICES AGREEMENT  
(Wells CR-223 & CR-224 ASR Testing and Valves)**

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**DATE:** FEBRUARY 21, 2021

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

**HYDRO RESOURCES – ROCKY MOUNTAIN, INC.**, a Delaware corporation, 1900 W. Littleton Boulevard, Littleton, Colorado 8012 ("Consultant").

**RECITALS:**

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

**TERMS:**

**Section 1. Scope of Services.** Consultant shall provide bond logging and casing integrity testing for existing wells CR-223 & CR-224, in accordance with the scope of services attached as **Exhibit 1** ("Services").

**Section 2. Payment.** Consultant shall invoice Town upon completion of the Services rendered in accordance with the rate and fee scheduled identified in **Exhibit 1**. Town shall pay such invoices within 30 days receipt of such invoice. In no event shall the cumulative payment to Consultant exceed \$432,495, unless authorized in writing by Town.

**Section 3. Completion.** Consultant shall commence the Services on March 3, 2021 and complete the Services December 31, 2021. Consultant shall devote adequate resources to assure timely completion of the Services. Consultant 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 Consultant. 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. Consultant shall turn over all work product produced up to the date of termination.

**Section 4. Subcontractors.** Consultant may utilize subcontractors to assist with specialized works as necessary to complete the Services. Consultant will submit any proposed subcontractor and the description of their services to the Town for approval.

**Section 5. Assignment.** This Agreement shall not be assigned by Consultant without the written consent of the Town.

**Section 6. 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 7. Prohibition Against Employing Illegal Aliens.** Consultant shall not knowingly employ or contract with an illegal alien to perform work under this contract. Consultant shall not enter into a contract with a subcontractor that fails to certify to the Consultant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract.

Consultant has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the public contract for services through participation in either the E-verify program or the Department program, as defined in C.R.S. §§ 8-17.5-101(3.3) and 8-17.5-101(3.7), respectively. Consultant is prohibited from using the E-verify program or Department program procedures to undertake pre-employment screening of job applicants while this contract is being performed.

If Consultant obtains actual knowledge that a subcontractor performing work under this Agreement for services knowingly employs or contracts with an illegal alien, Consultant shall:

A. Notify the subcontractor and the Town within three days that the Consultant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

B. Terminate the subcontract with the subcontractor if within three days of receiving notice required pursuant to this paragraph the subcontractor does not stop employee or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Consultant shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to the authority established in C.R.S. §8-17.5-102(5).

If Consultant violates a provision of this Agreement required pursuant to C.R.S. §8-17.5-102, Town may terminate the Agreement for breach of contract. If the Agreement is so terminated, the Consultant shall be liable for actual and consequential damages to the Town.

**Section 8. Insurance.** Consultant agrees to procure and maintain, at his own cost, the following policy or policies of insurance. Consultant 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. Consultant shall procure and maintain, and shall cause each subcontractor of the Consultant 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 Consultant'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 Consultant. 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 Consultant shall be solely responsible for any deductible losses under each of the policies required above.

C. Certificates of insurance shall be completed by Consultant'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 Consultant 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 Consultant to the Town upon demand, or the Town may offset the cost of the premiums against any monies due to Consultant from the Town.

E. 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 \$387,000 per person, \$1,093,000 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 9. Indemnification.** Consultant 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 Consultant 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 Consultant.

**Section 10. 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 11. Additional Documents.** The parties agree to execute any additional documents or take any additional action that is necessary to carry out this Agreement.

**Section 12. 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 13. 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 14. 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 15. 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 16. Governing Law.** This Agreement shall be governed by the laws of the State of Colorado.

**Section 17. Independent Contractor.** Consultant and Town hereby represent that Consultant is an independent contractor for all purposes hereunder. As such, Consultant 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. Consultant shall not create any indebtedness on behalf of the Town.

**Section 18. 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 Consultant, 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 Consultant 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

\_\_\_\_\_  
David L. Corliss, Town Manager

**Approved as to form:**

**Approved as to content:**

\_\_\_\_\_  
Michael J. Hyman, Town Attorney

\_\_\_\_\_  
Mark Marlowe, Director of Castle Rock Water

**CONSULTANT:**

**HYDRO RESOURCES – ROCKY MOUNTAIN, INC.**  
a Delaware corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

*GENERAL MANAGER*

**EXHIBIT 1**  
**Services**

**Scope of Work**

Testing required for the EPA ASR Permit and Flow Control Valve replacement.

**Fee Schedule**

\$432,495.00 total, includes 5% TM contingency

A handwritten signature in black ink, appearing to be 'RAL' or similar, located in the bottom left corner of the page.

**EXHIBIT 2**

**CONSULTANT'S CERTIFICATE OF INSURANCE**



HYDRRES-01

JDEATHERAGE

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

2/18/2021

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).

<b>PRODUCER</b> <b>BancFirst Insurance Services, Inc.</b> 13230 Pawnee Drive, Suite 205 Oklahoma City, OK 73114	<b>CONTACT NAME:</b> Jennifer Deatherage <b>PHONE (A/C, No, Ext):</b> (405) 600-1805 <b>FAX (A/C, No):</b> (405) 948-7346 <b>E-MAIL ADDRESS:</b> jennifer.deatherage@bancfirst.insurance												
<b>INSURER(S) AFFORDING COVERAGE</b>													
<b>INSURED</b>  <b>Hydro Resources-Rocky Mountain, Inc.</b> 13027 Weld County Rd 18 Fort Lupton, CO 80621	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>INSURER A :</b> Liberty Mutual Fire Insurance Company</td> <td style="width: 20%;"><b>NAIC #</b> 23035</td> </tr> <tr> <td><b>INSURER B :</b> Travelers Property Casualty Company of America</td> <td>25674</td> </tr> <tr> <td><b>INSURER C :</b> First Liberty Insurance Corporation</td> <td>33588</td> </tr> <tr> <td><b>INSURER D :</b></td> <td></td> </tr> <tr> <td><b>INSURER E :</b></td> <td></td> </tr> <tr> <td><b>INSURER F :</b></td> <td></td> </tr> </table>	<b>INSURER A :</b> Liberty Mutual Fire Insurance Company	<b>NAIC #</b> 23035	<b>INSURER B :</b> Travelers Property Casualty Company of America	25674	<b>INSURER C :</b> First Liberty Insurance Corporation	33588	<b>INSURER D :</b>		<b>INSURER E :</b>		<b>INSURER F :</b>	
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**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS																
<b>A</b>	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <div style="margin-left: 20px;"> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR           </div> <div style="margin-left: 20px;">             GEN'L AGGREGATE LIMIT APPLIES PER:  <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC  <input checked="" type="checkbox"/> OTHER: Includes X,C,U           </div>	X	X	TB2641444784040	6/1/2020	6/1/2021	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">EACH OCCURRENCE</td> <td style="width: 20%; text-align: right;">\$ 1,000,000</td> </tr> <tr> <td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td> <td style="text-align: right;">\$ 100,000</td> </tr> <tr> <td>MED EXP (Any one person)</td> <td style="text-align: right;">\$ 10,000</td> </tr> <tr> <td>PERSONAL &amp; ADV INJURY</td> <td style="text-align: right;">\$ 1,000,000</td> </tr> <tr> <td>GENERAL AGGREGATE</td> <td style="text-align: right;">\$ 2,000,000</td> </tr> <tr> <td>PRODUCTS - COMP/OP AGG</td> <td style="text-align: right;">\$ 2,000,000</td> </tr> <tr> <td><b>POLLUTION</b></td> <td style="text-align: right;">\$ 1,000,000</td> </tr> <tr> <td>COMBINED SINGLE LIMIT (Ea accident)</td> <td style="text-align: right;">\$ 2,000,000</td> </tr> </table>	EACH OCCURRENCE	\$ 1,000,000	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000	MED EXP (Any one person)	\$ 10,000	PERSONAL & ADV INJURY	\$ 1,000,000	GENERAL AGGREGATE	\$ 2,000,000	PRODUCTS - COMP/OP AGG	\$ 2,000,000	<b>POLLUTION</b>	\$ 1,000,000	COMBINED SINGLE LIMIT (Ea accident)	\$ 2,000,000
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<b>C</b>	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	WC2641444784020	6/1/2020	6/1/2021	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"> <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER           </td> <td style="width: 20%;"></td> </tr> <tr> <td>E.L. EACH ACCIDENT</td> <td style="text-align: right;">\$ 1,000,000</td> </tr> <tr> <td>E.L. DISEASE - EA EMPLOYEE</td> <td style="text-align: right;">\$ 1,000,000</td> </tr> <tr> <td>E.L. DISEASE - POLICY LIMIT</td> <td style="text-align: right;">\$ 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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DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Re: Wells CR-223 and CR-224 ASR Testing and Valves

Town of Castle Rock its officers and employees are included as additional insured with respects to General Liability and Auto Liability. General Liability includes additional insured-Owners, Lessees or Contractors Automatic Status when required in construction agreement with insured and includes AI for Completed Operations as required by written contract. Also includes Waiver of Transfer of Rights of Recovery Against Others To Us as required by written contract. Primary & Noncontributory Insurance Clause Endorsement and 30 day notice of cancellation is included. Commercial Auto includes additional insured status and Waives Right of Subrogation to any entity that requires if on the basis of an insured contract, written agreement or permit. Commercial Umbrella includes additional insured status and Waives Right of Subrogation to any entity that requires if on the basis of an insured contract, written SEE ATTACHED ACORD 101

**CERTIFICATE HOLDER****CANCELLATION**

<b>Town of Castle Rock</b> 100 N. Wilcox Street Castle Rock, CO 80104	<p><b>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</b></p> <p><b>AUTHORIZED REPRESENTATIVE</b></p> <p style="text-align: center;"><i>Ron L. Hammond</i></p>
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## ADDITIONAL REMARKS SCHEDULE

AGENCY <b>BancFirst Insurance Services, Inc.</b>		NAMED INSURED <b>Hydro Resources-Rocky Mountain, Inc.</b> 13027 Weld County Rd 18 Fort Lupton, CO 80621	
POLICY NUMBER <b>SEE PAGE 1</b>			
CARRIER <b>SEE PAGE 1</b>	NAIC CODE <b>SEE P 1</b>	EFFECTIVE DATE: <b>SEE PAGE 1</b>	

## ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Description of Operations/Locations/Vehicles:  
agreement or permit. Workers Compensation includes Waiver of subrogation to any entity that requires if on the basis of an insured contract, written agreement or permit.