

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT
AND
WESTERN TECHNOLOGIES, INC.**

For reference this Professional Services Agreement (“Agreement”) is dated March 16, 2017. The parties to this Agreement are the Rio Nuevo Multipurpose Facilities District, an Arizona tax levying special facilities district (the “District”) and Western Technologies, Inc. (the “Provider”).

RECITALS

A. The Provider has submitted a “Proposal” to the District to perform certain professional services for the District [Exhibit A].

B. After considering the Proposal, the District has elected to formally engage the Provider to fulfill the tasks set forth in the Proposal (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 District and the Provider hereby agree as follows:

1. **Term of Agreement.** Subject to its full execution, this Agreement shall be effective upon its date. Unless earlier terminated as set forth herein, it shall remain in full force and effect for a period of sixty (60) days or upon the completion of and payment for the Services whichever comes first (the “Term”). By mutual written and executed agreement, the parties may extend the Term of this Agreement.

2. **Services.** Provider shall provide the Services as set forth in Section 3.0 of the Proposal.

3. **Compensation.** In accordance with Section 6.0 of the Proposal, the District shall pay Provider a lump sum fee of \$1,925.00 upon its receipt of Provider’s invoice after completion of the Services. Any additional work which might be indicated by the discovery of unanticipated conditions in the field will be performed only as authorized by the District and as part of subsequent studies in accordance with Provider’s fee schedule attached to the Proposal.

4. **Payments.** Upon receipt and approval of Provider’s invoice, the District shall pay the Provider for work performed and completed pursuant to Section 7.0 of the Proposal. Such invoice shall document and itemize all work completed. The invoice shall include a record of time expended, costs incurred and work performed in sufficient detail to justify payment.

5. **Documents.** All documents, including any intellectual property rights thereto, prepared and submitted to the District pursuant to this Agreement shall be the property of the District upon full payment of all monies owed to the Provider.

6. **Provider Personnel.** Provider shall provide adequate, experienced personnel capable of and devoted to the successful completion of the Services to be performed under this Agreement. Provider agrees to assign specific individuals to key positions. If deemed qualified, the Provider is encouraged to hire District residents to fill vacant positions at all levels. Provider 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 District. 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, Provider shall immediately notify the District of same and shall, subject to the concurrence of the District, replace such personnel with personnel possessing substantially equal ability and qualifications.

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

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

9. **Performance Warranty.** Provider warrants that the Services rendered will conform to the requirements of this Agreement and to the highest customarily accepted professional standards in the field.

10. **Indemnification.** To the fullest extent permitted by law, the Provider shall indemnify, defend and hold harmless the District and each board member, officer, employee or agent thereof (the District 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"), insofar as such Claims (or actions in respect thereof) relate to, arise out of or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions in connection with the work or services of the Provider, its officers, employees, agents, or any tier of subcontractor 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.

11. **Insurance.**

11.1. **General.**

A. Insurer Qualifications. Without limiting any obligations or liabilities of Provider, Provider 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 District. Failure to maintain insurance as specified herein may result in termination of this Agreement at the District's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, the District does not represent that coverage and limits will be adequate to protect Provider. The District reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but have 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 Provider 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 District, its agents, representatives, officers, directors, officials and employees, as an 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 District, unless specified otherwise in this Agreement.

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

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

G. 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 District. Provider shall be solely responsible for any such deductible or self-insured retention amount.

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

I. Evidence of Insurance. Prior to commencing any work or services under this Agreement, Provider will provide the District with suitable evidence of insurance in the form of certificates of insurance issued by Provider'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 District 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. In the event any insurance policy required by this Agreement is written on a "claims made" basis, coverage shall extend for two years past completion of the Services and the District's acceptance of the Provider's work or services and as evidenced by annual certificates of insurance. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be Provider's responsibility to forward renewal certificates and declaration page(s) to the District 30 days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing the Proposal number and title of this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing the appropriate Proposal number and title or a reference to this Agreement, as applicable, 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 District, 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) Provider'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 District, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Provider under this Agreement.

(4) A 30-day advance notice cancellation provision. 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.

11.2. Required Insurance Coverage.

A. Commercial General Liability. Provider 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 District, 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. Provider shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on Provider's owned, hired and non-owned vehicles assigned to or used in the performance of the Provider'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 District, 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 Provider engages in any professional services or work adjunct or residual to performing the work under this Agreement, the Provider shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Provider, or anyone employed by the Provider, or anyone for whose negligent acts, mistakes, errors and omissions the Provider is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate. In the event the Professional Liability insurance policy is written on a “claims made” basis, coverage shall extend for two years past completion and acceptance of the Services, and the Provider shall be required to submit certificates of insurance and a copy of the declaration page(s) of the insurance policies evidencing proper coverage is in effect as required above. Confidential information such as the policy premium or proprietary information 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.

D. Workers’ Compensation Insurance. Provider shall maintain Workers’ Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Provider’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.

12. Termination; Cancellation.

12.1. For District’s Convenience. This Agreement is for the convenience of the District and, as such, may be terminated without cause after receipt by Provider of written notice by the District. Upon termination for convenience, Provider shall be paid for all undisputed services performed up to and including the termination date.

12.2. 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 District to the Provider for the undisputed portion of its fee due as of the termination date.

12.3. Due to Work Stoppage. This Agreement may be terminated by the District upon 30 days’ written notice to Provider 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 District to the Provider for the undisputed portion of its fee due as of the termination date.

12.4. Conflict of Interest. This Agreement is subject to the provisions of A.R.S. § 38-511. The District may cancel this Agreement without penalty or further obligations by the District 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 District 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 with respect to the subject matter of the Agreement.

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

12.6. Agreement Subject to Appropriation. This Agreement is subject to the provisions of ARIZ. CONST. ART. IX, § 5 and A.R.S. § 48-4203 and -4232. The provisions of this Agreement for payment of funds by the District shall be effective when funds are appropriated for purposes of this Agreement and are actually available for payment. The District shall be the sole judge and authority in determining the availability of funds under this Agreement and the District shall keep the Provider fully informed as to the availability of funds for the Agreement. The obligation of the District to make any payment pursuant to this Agreement is a current expense of the District, payable exclusively from such annual appropriations, and is not a general obligation or indebtedness of the District. If the Board of Directors 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 District and the Provider shall be relieved of any subsequent obligation under this Agreement. The District shall provide notice to the Provider in the event the District fails to appropriate funds and in such event the Provider's obligations under the Agreement shall immediately cease, except for completion of any services paid in advance, if any.

13. **Counterparts/Facsimile Signatures.** This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute only one agreement. Pending exchange and receipt of original signatures, facsimile signatures shall be fully effective as original signatures.

14. **Israel Boycott Certification.** Contractor certifies that it is not currently engaged in, and agrees for the duration of this Contract that it will not engage in, a boycott of Israel, as that term is defined in A.R.S. § 35-393.

15. **Miscellaneous.**

15.1. Independent Contractor. The Provider 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 District. Provider, its employees and subcontractors are not entitled to workers' compensation benefits from the District. The District does not have the authority to supervise or control the actual work of Provider, its employees or subcontractors. The Provider, and not the District, shall determine the time of its performance of the services provided under this Agreement so long as Provider meets the requirements of its agreed Scope of Work as set forth in Section 2 above and in Exhibit A. Provider is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. District and Provider do not intend to nor will they combine business operations under this Agreement.

15.2. Applicable Law; Venue. Provider shall abide by and conform to any and all laws of the United States, and the State of Arizona, including, but not limited to, federal and state executive orders providing for equal employment and procurement opportunities, OSHA and any other federal or state laws applicable to this Agreement. This Agreement shall be governed by the laws of the State of Arizona and suit pertaining to this Agreement may be brought only in courts in Pima County, Arizona.

15.3. Laws and Regulations. Provider 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 Provider is responsible abides by, and remains in compliance with, all applicable rules, regulations, ordinances, statutes or laws affecting the Services, including, but not limited to, the following: (A) existing and future District and County ordinances and regulations, (B) existing and future State and Federal laws, and (C) existing and future Occupational Safety and Health Administration standards.

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

15.5. 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.

15.6. 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.

15.7. Relationship of the Parties. 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 Provider is advised that taxes or

Social Security payments will not be withheld from any District payments issued hereunder and Provider agrees to be fully and solely responsible for the payment of such taxes or any other tax applicable to this Agreement.

15.8. 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.

15.9. Assignment; Delegation. No right or interest in this Agreement shall be assigned by Provider without prior, written permission of the District, signed by the Chair and Treasurer of the Board, and no delegation of any duty of Provider shall be made without prior, written permission of the District, signed by the Chair and Treasurer of the Board. Any attempted assignment or delegation by Provider in violation of this provision shall be a breach of this Agreement by Provider.

15.10. Subcontracts. No subcontract shall be entered into by the Provider with any other party to furnish any of the material or services specified herein without the prior written approval of the District. The Provider 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 Provider.

15.11. Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the District 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 District 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 District's acceptance of and payment for services, shall not release the Provider from any responsibilities or obligations imposed by this Agreement or by law and shall not be deemed a waiver of any right of the District to insist upon the strict performance of this Agreement.

15.12. 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.

15.13. Liens. All materials or services shall be free of all liens and, if the District requests, a formal release of all liens shall be delivered to the District. This shall not apply to

liens placed by Provider as a result of the District defaulting on payment obligations to the Provider.

15.14. Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the District may offset from any money due to the Provider any amounts Provider owes to the District 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 District may offset from any money due to the Provider any amounts Provider owes to the District for delinquent fees, transaction privilege taxes and property taxes, including any interest or penalties.

15.15. 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 District: Rio Nuevo Multipurpose Facilities District
400 W. Congress, Suite 152
Tucson, Arizona 85701
Attn: Fletcher McCusker, Chairman

With copies to: Gust Rosenfeld, P.L.C.
One South Church Avenue
Suite 1900
Tucson, Arizona 85701
Attn: Mark Collins, Esq.

If to Provider: Western Technologies, Inc.
3480 S. Dodge Blvd.
Tucson, Arizona 85713
Attn: Stephen G. Collins

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.

15.16. Confidentiality of Records. The Provider shall establish and maintain procedures and controls that are acceptable to the District for the purpose of ensuring that information contained in its records or obtained from the District 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 Provider's duties under this Agreement. Persons requesting such information should be referred to the District. Provider also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Provider as needed for the performance of duties under this Agreement. The use and disclosure of the confidential information shall not apply to information which (A) was known to the Provider before receipt of same from the District, (B) becomes publicly known other than through the Provider, or (C) is disclosed pursuant to the requirements of a governmental authority or judicial order.

15.17. Records and Audit Rights. To ensure that the Provider and its subcontractors are complying with the warranty under subsection 16.18 below, Provider's and its subcontractors' books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any Provider and its subcontractors' employees who perform any work or services pursuant to this Agreement, (all of 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 District to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on Provider'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 Provider's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 13.18 below. To the extent necessary for the District to audit Records as set forth in this subsection, Provider 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 District 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 District to Provider pursuant to this Agreement. Provider and its subcontractors shall provide the District with adequate and appropriate workspace so that the District can conduct audits in compliance with the provisions of this subsection. The District shall give Provider or its subcontractors reasonable advance notice of intended audits. Provider 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.

15.18. E-verify Requirements. To the extent applicable under A.R.S. § 41-4401, the Provider 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 A.R.S. § 23-214(A). Provider's or its subcontractors' 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 District.

15.19. Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the terms of this Agreement, the Scope of Work, any District-approved Purchase Order, the Proposal, the documents shall govern in the order listed herein.

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

15.21. Cooperative Purchasing. Specific eligible political subdivisions and nonprofit educational or public health institutions (“Eligible Procurement Unit(s)”) are permitted to utilize procurement agreements developed by the District, at their discretion and with the agreement of the awarded Provider. Provider may, at its sole discretion, accept orders from Eligible Procurement Unit(s) for the purchase of the Materials and/or Services at the prices and under the terms and conditions of this Agreement, in such quantities and configurations as may be agreed upon between the parties. All cooperative procurements under this Agreement shall be transacted solely between the requesting Eligible Procurement Unit and Provider. Payment for such purchases will be the sole responsibility of the Eligible Procurement Unit. The exercise of any rights, responsibilities or remedies by the Eligible Procurement Unit shall be the exclusive obligation of such unit. The District assumes no responsibility for payment, performance or any liability or obligation associated with any cooperative procurement under this Agreement. The District shall not be responsible for any disputes arising out of transactions made by others.

15.22. Liability Limits. The total amount of all claims the District may have against the Provider under this Agreement or arising from the performance or non-performance of the Services under any theory of law, including but not limited to, claims for negligence, negligent misrepresentation and breach of contract, shall be strictly limited to the lesser of 3 times the fees due to Provider or \$500,000. As the District's sole and exclusive remedy under this Agreement, any claim, demand or suit shall be directed and/or asserted only against the Provider and not against any of the Provider's employees, officers or directors.

15.23. Incidental, Indirect & Consequential Damages Waiver. Neither the District nor the Provider shall be liable to the other or shall make any claim for any incidental, indirect or consequential damages arising out of or connected to this Agreement or the performance of the services on this project. This mutual waiver includes, but is not limited to, damages related to loss of use, loss of profits, loss of income, unrealized energy savings, diminution of property value or loss of reimbursement or credits from governmental or other agencies.

16. **Priority of Documents.** To the extent that there is any conflict between this Professional Services Agreement and Provider’s Proposal, the terms and conditions set-forth in this Agreement shall control.

[SIGNATURES ON FOLLOWING PAGE]


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

DISTRICT

Rio Nuevo Multipurpose Facilities District,
an Arizona tax levying public improvement district

By: 
Fletcher McCusker, Chairman

ATTEST:

By: 
Mark Irvin, Secretary

PROVIDER

Western Technologies, Inc.

By: 
Stephen G. Collins
Director of Environmental Services

EXHIBIT A

[Proposal]



**CONTRACT FOR PROFESSIONAL SERVICES
WT Proposal No. 2987PC040**

BETWEEN: **RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT**
c/o One South Church, Suite 1900
Tucson, Arizona 85701-1627 ("Client")

AND: **WESTERN TECHNOLOGIES INC.**
3480 South Dodge Boulevard
Tucson, Arizona 85713 ("WT")

FOR THE PROJECT: Phase I Environmental Site Assessment
Commercial Property
236 South Scott Avenue
Tucson, Arizona ("Property")

1.0 PROPERTY DESCRIPTION

The Property is 15,844 square feet in size and was developed with a 13,412 square foot mortuary constructed in 1950. The Pima County Tax Assessor parcel number is 117-13-1720.

2.0 PURPOSE

The purpose of this Phase I Environmental Site Assessment (ESA) is to evaluate the Property for Recognized Environmental Conditions (RECs), as defined by ASTM E 1527-13.

3.0 SCOPE OF SERVICES

The scope of services will be conducted in general accordance with the applicable provisions of the Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process (ASTM E 1527-13). An Environmental Professional, as defined by the ASTM Standard and All Appropriate Inquiries Rule, will direct and oversee the performance of this project.

3.1 Records Review

Standard State and Federal Records Sources - WT will obtain and review a commercially available environmental records report of standard Federal and State databases. The report will contain a tabular summary of the findings, dates of the database sources, details of the records, and maps depicting the geographic orientation of the sites identified within the ASTM minimum search distances.

Additional Environmental Records Sources - WT will make attempts to contact the following Local and/or additional State sources for records and information that in its judgment are reasonably ascertainable and likely to be useful about the Property: utility companies for information about poly-chlorinated biphenyls in electrical equipment; local

fire department records regarding USTs, LUSTs, or hazardous materials incidents; agency records of septic systems; local water and sewer records for utility services to the Property; records of registered groundwater wells; and records of registered dry wells, as applicable.

Physical Setting Information - WT will review topographical maps from the U.S. Geological Survey and published geologic and hydrologic reports from Federal, State or Local government sources for physical setting information about the Property and surrounding area. The physical setting information derived from these records will represent a general indication of topographic and hydrogeologic conditions that may indicate potential pathways for the migration of hazardous substances and petroleum products onto or away from the Property.

3.2 Historical Use Research

WT will review standard historical sources to develop a summary of previous uses or activities on the Property that might indicate the presence of RECs. The historical use research will extend back to 1940 or to the Property's first developed use, whichever is earlier. WT will review those standard historical sources that in its judgment are reasonably ascertainable and likely to be useful. WT will describe the uses of adjoining and surrounding land identified during the historical use research, to the extent that they may affect the likelihood of RECs on the Property. Standard historical sources are aerial photographs, fire insurance maps, property tax files, recorded land title records, topographic maps, local street directories, building department records, zoning and land use records, and other historical sources. Interview information will be used, when available, to explain or expand previous uses identified in the historical use research.

3.3 Site Reconnaissance

WT will visually assess the Property to identify areas where hazardous substances or petroleum products are used, stored, handled, or disposed. WT will evaluate uses, occupancy, existing structures, developed features, the observable ground surface, and typical operational practices for known or suspect environmental conditions. WT will observe readily accessible exterior and interior areas made available to us by on-site personnel, or through other arrangements with the Client. WT will make one trip to the Property.

WT will evaluate adjoining sites from the Property's perimeter or from public thoroughfares. To the extent observable, WT will note operational practices on the adjoining sites that may involve the use of hazardous substances or petroleum products, and describe physiographic and topographic conditions potentially affecting migration pathways onto the Property.

3.4 Interviews

WT will attempt to interview current owners, occupants, or operators of the Property by asking them to complete an Owner/Key Site Manager Questionnaire. The interview information will focus on explanations of known or suspect environmental conditions on the Property, uses and activities on the Property, general knowledge about the Property's environmental condition, the availability of prior reports or records, historical land uses, and information relating to potential regulatory actions at the Property. Follow-up interviews may be warranted based on responses to the questionnaire.

WT will attempt to contact past owners, occupants, or operators, whose contact information is disclosed to us through the interviews, records reviews, or historical use research, and ask them about potential environmental conditions on the Property.

WT will attempt to interview the User(s) of this ESA by asking them to complete a User's Questionnaire. A User is a party who seeks to use the ESA to support a landowner liability protection under CERCLA. WT assumes that the Client is the User, unless other parties are identified.

WT will attempt to interview State and/or Local Government Officials about known or identified environmental investigations, regional clean-up activities, or site-specific compliance enforcement where such circumstances are identified in the records reviews or site inspection and represent a potential for environmental impact to the Property.

3.5 Reporting

WT will prepare a written report describing the Property's current use and condition, information provided by the User, information obtained from interviews, a summary of historical uses, the results of the standard Federal and State records reviews and additional records inquiries, a discussion of potential environmental conditions, and WT's findings, opinions and conclusions about the potential for RECs in connection with the Property. The report will be supported with a diagram of the Property, at least one aerial photograph, pictures showing current site conditions, documentation of interviews, the database report, and other supporting records and historical information. The report will contain recommendations to address known or suspect RECs, if requested.

WT will provide one hard copy of the report and a copy in portable device format (pdf) for delivery using electronic mail or a file transfer portal (ftp) site.

4.0 SCHEDULE

WT will initiate the ESA after receipt of authorization to proceed. WT will initiate the ESA after receipt of authorization to proceed. We estimate the project can be completed by March 17, 2017.

5.0 CLIENT ACKNOWLEDGMENTS

The following acknowledgments are made to WT by Client in establishing the work scope and costs for this Project:

- Performance of this ESA is intended to reduce, but not eliminate the uncertainty regarding the potential for RECs in connection with the Property, recognizing reasonable limits of time and cost. Client agrees that the scope of services presented in this Proposal/Agreement is suitable for the stated purpose.
- Client acknowledges the possibility that our proposed scope of services may fail to reveal the presence of RECs, and that our failure to discover their presence does not mean or guarantee that they do not exist at the Property.
- The report will be prepared for the exclusive use and reliance of the Client. Other parties may not use or rely on the report without the prior written permission of WT. Any subsequent Users are responsible for complying with the “Additional Inquiries” requirements in 40 CFR §312.22 and ASTM E 1527-13.
- The issuance of a standard reliance letter or Small Business Administration reliance letter in conjunction with or subsequent to the completion of the report will require an additional fee. WT shall solely determine whether any such reliance letter will be issued.
- Reliance letters issued more than 6 months after the date of the report will require an update of the report. Fees associated with updating a report shall be quoted at the time the service is requested.
- Client will provide names and contact information for current owners, occupants, or operators of the Property, a site plan with marked boundaries, and a legal description or tax parcel number for the Property.
- Data obtained from public records or commercial sources, or supplied by Federal/State/Local government officials shall be conveyed in the report as actual knowledge. WT will have the right to rely on the data provided by Client, and that obtained from public records or commercial sources, as accurate.
- The performance of the Client’s “Additional Inquiries” identified in 40 CFR §312.22 and the ASTM E 1527-2013 standard are not included in the scope of work.
- A Phase I ESA does not address the concept of continuing obligations under CERCLA statutes.
- Non-Scope Considerations, Vapor Intrusion, and Business Environmental Risks, as defined by the ASTM, are outside the scope of services for this project.

6.0 FEES

The fee for our services, as specified in this Proposal/Agreement, is a lump sum of \$1,925 (this fee does not include the review of regulatory agency files outside of Tucson, Arizona). This fee is valid for 90 calendar days after which time a review by WT will be required.

Additional work, which might be indicated by the discovery of unanticipated conditions in the field, will be performed only with your authorization and as part of subsequent studies in accordance with our current fee schedule attached hereto.

7.0 MANNER OF PAYMENT

WT will invoice CLIENT for total fees upon completion of services. Full payment for services is due upon receipt of invoice.

8.0 NOTICE TO PROCEED

Notice for WT to proceed with the work to be performed may be given simply by returning a signed copy of this document to WT, or by giving oral, written, or electronic notification to WT.

9.0 THE CONTRACT

The "Standard Terms and Conditions" set forth in WTI Form No. 120 (attached) are applicable and incorporated herein. The provisions set forth herein, and in the Standard Terms and Conditions shall constitute the Contract between Client and WT with respect to the services to be provided.

EXECUTED BY WT:

/s/Stephen G. Collins

WT's Authorized Representative

Stephen G. Collins, REPA

Typed or Printed Name

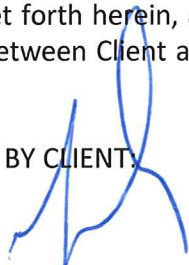
Director of Environmental Services

Title

March 14, 2017

Date

EXECUTED BY CLIENT:



Client's Authorized Representative

Fletcher McEwen
Typed or Printed Name

Chairman
Title

3/28/17
Date

CURRENT FEE SCHEDULE
ENVIRONMENTAL SERVICES

Project Principal	\$ 145.00 Hr
Project Director	\$ 125.00 Hr
Certified Industrial Hygienist	\$ 125.00 Hr
Project Manager	\$ 125.00 Hr
Senior Project Engineer/Geologist/Scientist	\$ 85.00 Hr
Project Engineer/Geologist/Scientist/Industrial Hygienist	\$ 75.00 Hr
Staff Engineer/Geologist/Scientist/Industrial Hygienist	\$ 65.00 Hr
Engineer/Geologist/Scientist/Industrial Hygienist	\$ 55.00 Hr
Environmental Technician	\$ 45.00 Hr
Senior Graphics Technician	\$ 50.00 Hr
Clerical Support Services	\$ 45.00 Hr
Safety Equipment, Per Man, Per Day	\$ 50.00 Ea
Field Sampling Equipment, Per Day	\$ 50.00 Day
Field Monitoring Equipment, per instrument per day	\$ 75.00 Day
Analytical Chemistry Services	by quote
Subcontracts/Materials/Supplies/Expendables	cost + 20%

STANDARD TERMS AND CONDITIONS

The Agreement between Western Technologies Inc. ("WT") and Client shall include and be subject to WT's Proposal and these Standard Terms and Conditions. The terms of the Agreement shall prevail over any different or additional terms contained in any document to which WT's work relates. WT's commencement of work shall constitute Client's acceptance of the Agreement.

1. SERVICES

1.1 WT agrees to render such services requested in writing by Client that are stated in the Scope of Services or similar written agreement. WT shall have no responsibility to perform services beyond such requests, and none shall be imputed or implied.

1.2 The services rendered by WT are for the benefit of Client alone and relate only to conditions observed at specified locations at the time WT's work is performed. There are no intended third-party beneficiaries to this Agreement, and nothing herein shall create a contractual relationship with or claim or cause of action in favor of a third party against WT.

1.3 The presence of WT's field technicians or representatives, if called for in the Agreement, is for the provision of services hereunder, and does not include supervision or direction of the work of Client or its subcontractors. Neither the presence of, nor any observation or testing by WT personnel shall excuse Client or its subcontractors from any deficiencies in their work.

1.4 When performing its work, WT will take reasonable precautions to avoid damage or injury to subterranean structures or utilities. Client shall indemnify, defend, and hold WT harmless from and against any damages to such structures and utilities that are not called to WT's attention and correctly shown on the plans furnished to WT. It is Client's obligation to contact appropriate utility companies and/or private utility locators for information regarding buried utilities, mark such utilities, and take other precautions to prevent damage or injury.

1.5 Client agrees that if Client commences litigation, mediation, arbitration, or any such proceeding against WT, WT shall have the right to withdraw and terminate ongoing work and services conducted for Client on any contract and project, in which event Client shall pay WT for work and services performed up to the time of termination.

2. PAYMENT

2.1 WT will invoice Client monthly for services performed. Client shall pay such invoices upon receipt without deduction for retention or offset. Failure to pay within 60 days of invoice shall operate to release WT from any and all claims that Client may have; Client further shall have no right to use or rely on any report prepared by WT, and shall return all such reporting to WT. Furthermore, WT shall have the right to immediately terminate and cease performance of all services then being performed for Client on any contract and project until all amounts owed are received by WT. Interest shall accrue on the unpaid balance of any invoice not paid in full within 30 days at the rate of 1.5% per month. Collection agency fees, attorneys' fees, and associated costs that are incurred by WT to collect past-due invoices (including post-judgment fees and costs) shall be payable by Client.

2.2 Estimates of fees are only estimates and shall not be regarded as "lump sum" or "fixed price" or "guaranteed maximum" compensation. Client remains obligated to pay WT's invoices for actual work performed, whether or not the fee estimate is exceeded. For work requested by Client that is additional to or outside the written Scope of Services and/or written service request, Client shall sign such documentation requesting such work or services and process and pay WT's invoices.

3. STANDARD OF CARE

3.1 The services referred to herein will be performed in accordance with the general standard of care practiced locally by providers of such services, and relate only to the conditions observed or samples tested at the time and place reported. WT makes and intends no other warranty or representation, express or implied. WT shall not be responsible for any consequences due to changed conditions or for the failure of any person or entity to perform or install work in accordance with the plans and specifications.

3.2 Soil, subsurface, and groundwater conditions can vary between and among sampling points and with time. WT makes no representation that the points selected for sampling are in any way representative of the entire site or project. Unless circumstances have changed justifying an earlier expiration of validity, geotechnical and earthwork reports are valid for a period of one year from the date of issuance; all other reports, including Phase I reports, are valid for a period of 180 days from the date of issuance.

3.3 Where WT's services involve geotechnical evaluations or field observation of earthwork, grading, filling, or compaction, Client agrees:

3.3.1 WT is not responsible for the manner in which such work is performed;

3.3.2 WT is not responsible for any work performed at any time when WT was not physically present and observing that specific work; and

3.3.3 For continuous observations, Client shall not allow grading, filling, or compaction to be performed at any time that WT is not physically present at the site, and shall restrict the amount and extent of such grading, filling and compaction to that which can be observed by WT at the site.

3.4 WT has no right, duty, or obligation to stop Client's or any of Client's subcontractor's work.

3.5 Client agrees and acknowledges that WT makes no recommendation or opinion other than those set forth in writing and contained in WT's reporting; WT makes no oral recommendations or opinions. Field and lab technicians are not engineers. Client acknowledges and agrees that it has no right to rely on, and that there will be no, express or implied recommendations or opinions of any sort from field or lab technicians.

3.6 Client is obligated to, and shall, directly and specifically notify WT as and when Client wants WT to perform services hereunder. WT shall be subject to no implied duties to observe or test, or to provide reports, other than the actual observation, testing, and reporting performed.

3.7 "Certification" means and implies the expression of professional opinion. It is not a warranty or guaranty.

4. INDEMNITY AND INSURANCE

4.1 NOTWITHSTANDING ANY OTHER PROVISION IN THE PARTIES' AGREEMENT, WT PROVIDES NO INDEMNITY, WARRANTY, OR GUARANTEE, EXPRESS OR IMPLIED, TO CLIENT OR TO ANY OTHER PERSON OR ENTITY.

4.2 Client shall be adequately insured. Client and its Insurers jointly and severally waive subrogation against WT and its insurers.

5. LIMITATIONS OF LIABILITY

Client and WT recognize the relative risks and benefits of this Agreement, and agree to the fair allocation of risk between them as follows:

5.1 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, WT'S TOTAL AGGREGATE LIABILITY TO ANY PERSON OR ENTITY, INCLUDING CLIENT, ON ANY CLAIM, ACTION OR LIABILITY OF ANY KIND OR BASIS WHATSOEVER, IN ANY MANNER ARISING OUT OF THE WORK DONE BY WT SHALL BE STRICTLY LIMITED TO THE GREATER OF \$50,000 OR THE FEE CHARGED FOR WT'S SERVICES HEREUNDER.

5.2 WT shall not be liable for loss of profit, delay, or for any special, incidental, indirect, or consequential damages of any kind, nature or description, from any cause whatsoever.

5.3 No proceeding, action or claim of any kind whatsoever, whether in law or equity, may be brought against WT regarding any work performed by WT, more than four years after the cessation of WT's work.

5.4 EXCEPT FOR ENVIRONMENTAL SERVICES THAT SPECIFICALLY INCLUDE AN INDOOR MOLD SURVEY, NO ACTION OR CLAIM OF ANY KIND WHATSOEVER MAY BE BROUGHT AGAINST WT ARISING OUT OF THE PRESENCE OR EXISTENCE OF MOLD. ALL SUCH ACTIONS ARE ABSOLUTELY BARRED AND CLIENT ABSOLUTELY AND IRREVOCABLY RELEASES WT FROM ALL SUCH CLAIMS AND LIABILITIES.

5.5 No officer, director, principal, employee, or agent of WT shall ever be personally sued, joined, liable, or responsible regarding any claim whatsoever. ALL SUCH ACTIONS ARE ABSOLUTELY BARRED AND CLIENT ABSOLUTELY AND IRREVOCABLY RELEASES SUCH INDIVIDUALS FROM ALL ACTIONS, CLAIMS, LIABILITIES, AND RESPONSIBILITY.

6. HAZARDOUS MATERIALS AND OTHER SITE CONDITIONS

WT does not create, generate, arrange for or transport, dispose, own, or store hazardous materials or operate any such facility in the performance of its work. Client shall maintain possession of and be responsible for the removal and disposal of all hazardous materials including, but not limited to samples, drilling mud, fluids and cuttings, decontamination and well development fluids, and used protective gear and equipment. Client assumes full responsibility for compliance with the provisions of RCRA and any other federal or state statute or regulation governing the handling, treatment, or storage and disposal of hazardous wastes and pollutants. Client shall be solely responsible for notifying all appropriate agencies and prospective buyers of the existence of any hazardous or dangerous materials located on or in the project site, or discovered during the performance of the Agreement, as may be required or advised by such agencies and buyers.

7. PROPERTY

7.1 All work papers (including reports, field notes, laboratory notes, laboratory test data, calculations and other documents prepared by WT), electronic data files and other work product generated by or for WT in connection with the Scope of Work are the property of WT. Samples obtained shall remain the property of Client.

7.2 Client has the right to use the reports, recommendations, design criteria and similar information submitted to it by WT, provided that Client pays WT's invoices. Client expressly agrees that no information produced or provided by WT shall be used for or at any location or for any project or project extension that is not expressly set forth in this Agreement without WT's prior written permission.

7.3 Because data stored on electronic media can deteriorate or be modified without WT's knowledge or control, Client assumes all responsibility for the completeness, correctness, and/or readability of electronic data. Client will indemnify, defend, and hold WT harmless of and from the use of and any reliance upon any part of said electronic data and/or anything generated from them. The controlling document regarding any document prepared by WT shall remain and always be the signed hard-copy paper document, and not any electronic form or format of such document.

7.4 Client shall not assign this Agreement, any of WT's reporting or work product, or any legal or equitable claim involving WT, without the prior express written consent of WT. Any purported assignment without the prior express written consent of WT shall be null and void.

8. TERMINATION

In addition to termination otherwise authorized by law and equity, this Agreement may be terminated by either party upon providing written notice of termination.

9. WT NOT BOUND

WT shall not be bound by: any provision incorporating by reference any contract or term of any contract unless the term or terms incorporated by reference are specifically furnished to WT and are expressly agreed to in a writing signed by WT; any provision or agreement providing for or imposing liquidated damages however described or denominated; any provision waiving any right to a mechanic's lien; any provision conditioning payment for WT's services upon payment to Client by any third party; any provision requiring the application of law or jurisdiction other than that which applies to the place of the project; any provision permitting Client to take possession of any property of WT; or any provision requiring mediation or arbitration of any claim or dispute.

10. FEES AND COSTS

In the event of any claim or litigation arising out of the work, including the Agreement, the prevailing party shall be entitled to an award of its attorneys' fees, consultants' fees, and costs.