



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

8

2. Council Meeting Date:
March 24, 2011

TO: MAYOR & COUNCIL

3. Date Prepared: March 11, 2011

THROUGH: CITY MANAGER

4. Requesting Department: City Manager

5. SUBJECT: Award Contract IT0-918-2848 for an Enterprise Service Bus (ESB) Solution implementation and consulting services with Ensynch in a total amount not to exceed \$317,526.

6. RECOMMENDATION: Recommend award of Contract IT0-918-2848 for an ESB Solution implementation and consulting services with Ensynch in a total amount not to exceed \$317,526.

7. HISTORICAL BACKGROUND/DISCUSSION: The City has over 150 packaged and custom developed software applications that support its core business functions and operations. These systems all run on multiple architectures and technology platforms. In order to integrate these applications to support growing business needs, a number of point-to-point interfaces have been built over the last several years. These integration programs are very system specific and are not built on an architectural standard, making them inflexible and expensive to manage, modify, and maintain. These interfaces also require modifications if any new systems are added, or if existing systems are upgraded.

The City sought technology solutions, such as those utilized within a Service Oriented Architecture (SOA) that can help alleviate these current integration challenges. This effort in particular seeks professional services to help the City establish an Enterprise Service Bus (ESB) as a core application integration tool with a key set of identified initial business cases that begin the migration towards a comprehensive architecture for the City's application set. The resulting solution will serve as a base for faster integration development, as well as ease of ongoing maintenance of these integrated systems.

8. EVALUATION PROCESS: On June 2, 2010, staff issued RFP IT0-918-2848 for the purchase of an ESB solution implementation and consulting services. Responses were due June 30, 2010. The City received three offers from Bahwan Cybertek, ClarusTec, Inc. and Ensynch. An evaluation committee made up of representatives from Information Technology evaluated the proposals. Bahwan Cybertek and Ensynch were invited to provide an on-site interview/presentation of their proposed solution and methodology. Staff then completed reference checks and began contract negotiations with Ensynch. The committee's recommendation of award to Ensynch is based on criteria set forth in the RFP which included components/features of the proposed solution, company profile and reference, price and implementation/training plan.

9. FINANCIAL IMPLICATIONS: Funds for this purchase are available in: 401.1285.0000.5219.10IT50 General Fund, ITOC Capital, Consultant Services, Enterprise Service Bus.

10. PROPOSED MOTION: Move to approve Contract IT0-918-2848 for an ESB Solution implementation and consulting services with Ensynch in a total amount not to exceed \$317,526.

APPROVALS

11. Requesting Department

Dawn Crawford, Application Support Manager

12. Department Head

Steven Philbrick, Chief Information Officer

13. Procurement Officer

Carolee Stees, CPPB

14. Acting City Manager

Rich Dlugas

**CITY OF CHANDLER
PROFESSIONAL SERVICES AGREEMENT**

Project No. IT0-918-2848

Project Name: Enterprise Service Bus Implementation

THIS AGREEMENT is made and entered into this day of March, 2011, by and between the City of Chandler, a Municipal Corporation of the State of Arizona, hereinafter referred to as "CITY", and Ensynch, hereinafter referred to as "CONSULTANT".

WHEREAS, the Mayor and City Council of the City of Chandler is authorized and empowered by provisions of the City Charter to execute contracts for professional services; and WHEREAS, CONSULTANT represents that CONSULTANT has the expertise and is qualified to perform the services described in the Agreement.

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

1. CONTRACT ADMINISTRATOR

1.1. To provide the professional services required by this Agreement CONSULTANT shall act under the authority and approval of Information Technology Project Manager or designee, (the Contract Administrator), who shall oversee the execution of this Agreement, assist the CONSULTANT with any necessary information, audit billings, and approve payments. The CONSULTANT shall channel reports and special requests through the Contract Administrator.

1.2. CITY reserves the right to review and approve any/all changes to CONSULTANT'S key staff assigned to the CITY project by the firm during the term of this Agreement. For this project, the following list identifies Consultant's resources:

- BizTalk Architect: Walter Chao

2. **SCOPE OF WORK:** CONSULTANT shall provide those services described in Exhibit B attached hereto and made a part hereof by reference.

3. **ACCEPTANCE AND DOCUMENTATION:** Each task shall be reviewed and approved by CITY to determine acceptable completion. All documents, including but not limited to, data compilations, studies, and reports which are prepared in the performance of this Agreement, shall be and remain the property of CITY and shall be delivered to CITY before final payment is made to CONSULTANT.

4. **FEE SCHEDULE:** For the services described in paragraph 2 of this Agreement, CITY shall pay CONSULTANT a fee not to exceed the sum of Three Hundred Seventeen Thousand Five Hundred Twenty-six dollars (\$317,526) in accordance with the fee schedule attached hereto as Exhibit C and incorporated herein by reference.

5. **TERM:** Following execution of this Agreement by CITY, CONSULTANT shall immediately commence work and shall complete all services described herein within twenty-six (26) weeks from the date hereof.

6. **AMENDMENTS:** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract,

including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by CITY in writing or made unilaterally by the CONTRACTOR are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the CONTRACTOR shall not be entitled to any claim under this Contract based on those changes.

7. **COOPERATIVE USE OF CONTRACT.** In addition to the City of Chandler and with approval of the contracted CONTRACTOR, this Contract may be extended for use by other municipalities, school districts and government agencies of the State. A current listing of eligible entities may be found at www.maricopa.gov/materials and then click on 'Contracts', 'S.A.V.E.' listing and 'ICPA'. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.
8. **ASSIGNMENT:** Services covered by this Contract shall not be assigned in whole or in part without the prior written consent of CITY.
9. **TERMINATION:**
 - 9.1. **Termination for Convenience:** CITY reserves the right to terminate this Contract or any part thereof for its sole convenience with thirty (30) days written notice. In the event of such termination, CONSULTANT shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and subcontractors to cease such work. As compensation in full for services performed to the date of such termination, the CONSULTANT shall receive a fee for the percentage of services actually performed. This fee shall be in the amount to be mutually agreed upon by the CONSULTANT and CITY, based on the agreed Scope of Work. If there is no mutual agreement, the Management Services Director shall determine the percentage of work performed for each task detailed in the Scope of Work and the CONSULTANT's compensation shall be based upon such determination and CONSULTANT's fee scheduled included herein.
 - 9.2 **Termination for Cause:** City may terminate this Contract for Cause upon the occurrence of any one or more of the following events:
 - 1) If CONSULTANT fails to perform pursuant to the terms of this Agreement
 - 2) If CONSULTANT is adjudged a bankrupt or insolvent;
 - 3) If CONSULTANT makes a general assignment for the benefit of creditors;
 - 4) If a trustee or receiver is appointed for CONSULTANT or for any of CONSULTANT'S property;
 - 5) If CONSULTANT files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws;
 - 6) If CONSULTANT disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction;
 - 7) Where Agreement has been so terminated by CITY, the termination shall not affect any rights of CITY against CONSULTANT then existing or which may thereafter accrue.
 - 9.3. **Availability of Funds for the next Fiscal Year.** Funds may not presently be available

under this agreement beyond the current fiscal year. No legal liability on the part of the CITY for services may arise under this agreement beyond the current fiscal year until funds are made available for performance of this agreement. The CITY may reduce services or terminate this agreement without further recourse, obligation, or penalty in the event that insufficient funds are appropriated. The City Manager shall have the sole and unfettered discretion in determining the availability of funds.

- 10. INDEMNIFICATION:** The Consultant agrees to indemnify, defend, and save harmless the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees, individually and collectively; from all losses, claims, suits, actions, payments and judgments, demands, expenses, attorney's fees, defense costs, or actions of any kind and nature resulting from personal injury to any person, including employees of the Consultant or of any Sub Consultant employed by the Consultant (including bodily injury and death) or damages to any property, arising or alleged to have arisen out of the negligent performance of the Consultant for the work to be performed hereunder, except any such injury or damages arising out of the sole negligence of the City, its officers, agents or employees. IT IS THE INTENTION OF THE PARTIES to this contract that the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees, individually and collectively, are to be indemnified against their own negligence unless and except their negligence is found to be the sole cause of the injury to persons or damages to property.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

- 11. INSURANCE REQUIREMENTS:** CONSULTANT shall provide and maintain the insurance as listed in Exhibit C attached hereto and made a part hereof by reference.
- 12. ENTIRE AGREEMENT:** This Agreement constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This Agreement may not be modified or amended except by a written document, signed by authorized representatives or each party.
- 13. ARIZONA LAW:** This Agreement shall be governed and interpreted according to the laws of the State of Arizona.
- 13.1 Pursuant to the provisions of A.R.S. § 41-4401, the Consultant hereby warrants to the City that the Consultant and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Consultant Immigration Warranty").
- 13.2 A breach of the Consultant Immigration Warranty (Exhibit A) shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.
- 13.3 The City retains the legal right to inspect the papers of any Consultant or Subcontractor employee who works on this Contract to ensure that the Consultant or Subcontractor is complying with the Consultant Immigration Warranty. The Consultant agrees to assist the City in the conduct of any such inspections.
- 13.4 The City may, at its sole discretion, conduct random verifications of the employment records of the Consultant and any Subcontractors to ensure compliance with Consultants Immigration Warranty. The Consultant agrees to assist the City in performing any such random verifications.

13.5 The provisions of this Article must be included in any contract the Consultant enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a Consultant or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

13.6 In accordance with A.R.S. §35-393.06, the Consultant hereby certifies that the offeror does not have scrutinized business operations in Iran.

13.7 In accordance with A.R.S. §35-391.06 the Consultant hereby certifies that the offeror does not have scrutinized business operations in Sudan.

14. CONFLICT OF INTEREST:

14.1 No Kickback. CONSULTANT warrants that no person has been employed or retained to solicit or secure the Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of the City Council or any employee of the CITY has any interest, financially or otherwise, in the firm unless this interest has been declared pursuant to the provisions of A.R.S. section 38-501. Any such interests were disclosed in CONSULTANT'S proposal to the CITY.

14.2 Kickback Termination. CITY may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the CITY is, at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any capacity or a CONSULTANT to any other party to the Agreement with respect to the subject matter of the Agreement. The cancellation shall be effective when written notice for CITY is received by all other parties, unless the notice specifies a later time (A.R.S. 38-511).

14.3 No Conflict. CONSULTANT stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this project.

14.4 Alternative Dispute Resolution. The parties hereby agree that there shall be a sixty (60) day moratorium on litigation commencing on the day that a claim is filed by CONSULTANT pursuant to A.R.S. § 12-821.01 during which time the parties will negotiate in good faith to resolve the dispute and evaluate the viability of pursuing alternative dispute resolution procedures such as mediation and arbitration.

14.5 Arizona Law. This Agreement shall be governed and interpreted according to the laws of the State of Arizona.

14.6 Jurisdiction and Venue. The parties agree that this Agreement is made in and shall be performed in Maricopa County. Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the courts of Maricopa County in the State of Arizona, which shall have exclusive jurisdiction over such lawsuits.

14.7 Fees and Costs. Except as otherwise agreed by the parties, the prevailing party in any adjudicated dispute relating to this Agreement is entitled to an award of reasonable attorney's fees, expert witness fees and costs including, as applicable, arbitrator fees; provided, however, that no award of attorney's fees shall exceed ten percent (10%) of

the damages awarded the prevailing party unless the non-prevailing party has been determined to have acted in bad faith or in a frivolous manner during the adjudication.

15. **NOTICES:** All notices or demands required to be given pursuant to the terms of this Agreement shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of City:
City of Chandler
Purchasing Division
P.O. Box 4008, Mail Stop 901
Chandler, AZ 85244-4008
480.782. 2400

In the case of CONSULTANT:
Ensynch
Scott Johnson
125 S. 52nd Street
Tempe, AZ 85281
480-894-3504

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

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this day of March 2011.

CITY OF CHANDLER

CONSULTANT

Mayor Date

By: _____
Title: General Manager

APPROVE AS TO FORM

ATTEST: If Corporation

City Attorney *plm*

Secretary

ATTEST:

City Clerk

SEAL

EXHIBIT A

**Consultant Immigration Warranty
To Be Completed by Consultant Prior to Execution of Contract**

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the Consultant and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

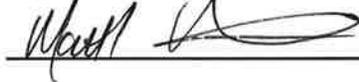
By completing and signing this form the Consultant shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

Contract Number: IT0-918-2848		
Name (as listed in the contract): Ensynch		
Street Name and Number: 125 S. 52nd Street		
City: Tempe	State: AZ	Zip Code: 85281

I hereby attest that:

1. The Consultant complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this contract;
2. All subcontractors performing work under this contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.

Signature of Consultant (Employer) or Authorized Designee:



Printed Name: MATTHEW HENDERSON

Title: GENERAL MANAGER

Date (month/day/year): March 14, 2011

EXHIBIT B SCOPE OF WORK

The Consultant shall:

- Complete Nondisclosure Agreement (NDA) for access to all applications and services required to implement the ESB.
- Develop a detailed project plan and project schedule in MS Project (hard and electronic copy) to complete the ESB development, test and production implementation with participation from City.
- Be available during normal business hours during the project, work with City to ensure coverage during planned absences and respond to City requests for technical support within two (2) hours.
- Provide City with classroom training and documentation (electronic and hard copy) on the proposed solution for up to 10 people up to 40 hours total.
- Install and configure production ready server infrastructure environments with SQL 2008 R2 and BizTalk2010, with participation from the City.
- Provide oversight, professional services and hands-on knowledge transfer to City during the implementation of the following interfaces and applications: Oracle General Ledger, GBA Master Series, Accela Automation, and ESRI ArcGIS.
- Gather and document necessary business and functional requirements for each interfaces and applications listed above.
- Develop test criteria to test interfaces and applications listed above, with participation from City.
- Verify and document the results of testing applications and interfaces.
- Develop a detailed division of responsibilities document of who will provide post-production support to the groups of interfaces and applications after they have been migrated.

The City shall:

- Provide the Consultant with requested information and specifications on the defined systems, interfaces, business processes, and technical infrastructure as required.
- Allocate resources (Functional Analysts, Developers, and Systems Administrators, Project Manager) to participate in the project as needed to accomplish the project objectives within the stated timeline and budget as developed in the Project/Resource Plan of Phase I.
- Provide the Consultant and their approved employees with adequate workspace, phone, internet connectivity and necessary access.
- Provide servers infrastructure for all environments.
- Provide all required software licenses.

Acceptance Criteria:

Consultant shall provide deliverables for City acceptance along with Acceptance Certificate to City Project Manager. City has five (5) business days to accept or request changes to each deliverable. The Contractor has five (5) business days to respond. This process will repeat until City acceptance.

Estimated Project Duration:

		Week																											
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26		
Phase	Phase 1: Project Initiation, Kick-off & Strategy	█	█																										
	Phase 2: ESB Infrastructure, two applications				█	█	█	█	█	█	█	█	█	█	█														
	Phase 3: Training and two Applications																												
	Phase 4: Final UAT, Knowledge Transfer, close																												

Project Management:

Project Management will include, at a minimum:

- Project plan (following standard project management methodology (PMI) and best practices)
- Task schedule, administration and coordination of activities
- Project time and expense management – Consultant will be required to provide written project time and expense weekly and monthly reports to the City Project Manager. The reporting period begins with the execution of the contract and continues through acceptance and completion of the implementation.
- Project status reporting – Consultant will be required to provide a weekly written project status report to the City Project Manager, with monthly and quarterly status reports to be conducted with the City’s management team as necessary. The reporting period begins with execution of the contract and continues through final acceptance and completion of the implementation.
- Project risk reporting
- Quality management

Establish a core ESB framework:

Define and document key standards and governance for managing the SOA framework

- i. Conduct workshop and interviews
- ii. Develop documentation
- iii. Present and publish strategy document

Consultant Resources:

- Project Manager
- Biz Talk Architect
- Business Analyst

Install and configure recommended SOA Tools:

Configure and test the proposed solution set in development, test and production environments.

- i. Installation of BizTalk 2010 Enterprise on SQL Server SQL 2008 R2
- ii. Setup infrastructure images
- iii. Configure software source control
- iv. Setup development image-(1) developer workstation/laptop with City team with required BizTalk license, Visual Studio
- v. Setup test image with City team with required BizTalk license, Visual Studio
- vi. Setup production image with City team with required BizTalk license, Visual Studio
- vii. Document the installation of all environments
- viii. Develop infrastructure hardware configuration document for all environments

Document all steps in the installation, configuration and testing of the proposed solution and move tested configuration to production.

- i. Production migration

Consultant Resources:

- Project Manager
- Biz Talk Architect
- Business Analyst

Provide technical support and knowledge transfer:

Provide technical support and knowledge transfer for integration of Oracle General Ledger, GBA Master Series, Accela Automation, and ESRI ArcGIS.

- i. Consultant will work side-by-side with City business analysts and developers to provide hands-on support and knowledge transfer

Provide up to 40 hours of BizTalk training and knowledge transfer to configure and support ESB technology and Service Orientated Architecture (SOA) strategy for up to 10 City Resources.

- i. Onsite classroom training at City training facility, for up to 40 hours
- ii. Provide documentation for all resources in electronic and hard copy for all training and knowledge transfer sessions.

Provide three (3) 2-hour wrap up sessions to ensure knowledge transfer.

- i. One session for developers
- ii. One session for infrastructure admin(s)

- iii. One session for City ESB/SOA team (includes Business and Functional Analysts)

Provide an operation turnover document at the completion of the project.

Consultant Resources:

- Project Manager
- Biz Talk Architect
- Business Analyst

Implement Production Solution:

Provide Business Analysis support for the integration of Oracle General Ledger, GBA Master Series, Accela Automation and ESRI ArcGIS

- i. Lead analysis for two of the four applications in capturing business and functional requirements, test cases
- ii. Support City Analysts in the remaining two applications
- iii. For each of the four applications:
 1. Gather and document business and functional requirements
 2. Document the source application transport protocols
 3. Document the source messaging formats
 4. Identify the canonical message formatting
 5. Map the source application message to the canonical format
 6. Map the canonical format to the target application message
 7. Identify pre / post processing requirements for target application messages
 8. Document the target application transport protocols
 9. Document the target messaging formats

Development and implementation of interfaces for Oracle General Ledger, GBA Master Series, Accela Automation, ESRI ArcGIS.

- i. Build maps, schemas, pipelines, orchestrations, and business activity monitoring measures

Consultant Resources:

- Project Manager
- Biz Talk Architect
- Business Analyst

**EXHIBIT C
FEE SCHEDULE**

City shall pay Consultant an amount not to exceed \$317,526 (includes \$280,892 for services and \$36,634 for reimbursable expenses) for services provided payable according to the following schedule:

Phase 1 Deliverables	\$70,223
<ul style="list-style-type: none"> • Project Schedule (Baseline and Updates in MS Project) Completed and Accepted • Project Plan Document Completed and Accepted • Project Kick-Off Meeting Completed • Resource Plan Document (electronic and hard copy) Completed and Accepted • Requirements Definition Workshops and Interviews Completed • Requirements Workshops and Interviews Document Completed and Accepted • ESB Configuration Plan (Strategy Document) Draft Completed and Accepted • Sponsor Phase Signoff 	
Phase 2 Deliverables	\$70,223
<ul style="list-style-type: none"> • Installation and Configuration of BizTalk 2010 Enterprise in Test, Development and Production environments • Hardware Configuration Document Draft Completed and Accepted • Two of the four (4) Integrated Applications (Oracle General Ledger, GBA Master Series, Accela Automation and ESRI ArcGIS) Completed and Accepted in Test environment • Training Plan Completed and Accepted • Configuration and Testing of all Reporting Methods Completed • System Testing and Validation of Dev and Test environments Completed • Sponsor Phase Signoff 	
Phase 3 Deliverables	\$70,223
<ul style="list-style-type: none"> • Classroom Training (up to 40 hours) on Proposed Solution Completed • Two of four (4) Integrated Applications (Oracle General Ledger, GBA Master Series, Accela Automation and ESRI ArcGIS) Completed and Accepted in Test environment • User Test Scripts Completed and Accepted • User Acceptance Testing Completed and Accepted • System Testing and Validation of Dev and Test environments Completed • ESB Configuration Plan (Strategy Document) Document Completed and Accepted • Training Document Completed and Accepted • Hardware Configuration Document Completed and Accepted • Sponsor Phase Signoff 	
Phase 4 Deliverables	\$70,223

<ul style="list-style-type: none"> • Three (3) 2-hour Wrap Up sessions (1-Developers, 1-System Administrators, 1-City SOA Team) • Operation Turnover Document Completed and Accepted • Four Integrated Applications moved to Production Environment • 30 days warranty on all work performed after Final Acceptance of 4 Integrated Applications in Production environment • Sponsor Phase Signoff • Sponsor Project Signoff 	
Total	\$280,892

CONSULTANT shall provide copies of receipts for all reimbursable expenses and the City shall pay an amount not to exceed \$36,634 for expenses as incurred. Reimbursable expenses include travel cost for airfare (coach), car rental (economy) and parking and fees. Travel, per diem and all expenses shall be invoiced and reimbursed at actual cost not to exceed the GSA daily rates found at this website: <http://www.gsa.gov/portal/category/100120>

EXHIBIT D
INSURANCE REQUIREMENTS

1. CONSULTANT, at its own expense, shall purchase and maintain insurance of the types and amounts required in this section, with companies possessing a current A.M. Best, Inc. rating of B++6, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to CITY.
2. Policies written on a "Claims made" basis are not acceptable without written permission from the City's Risk Manager.
3. 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 is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of CITY, constitute a material breach of this Agreement and may result in termination of this contract.
4. If any of the insurance policies are not renewed prior to expiration, payments to the CONSULTANT may be withheld until these requirements have been met, or at the option of the City, the City may pay the Renewal Premium and withhold such payments from any monies due the CONSULTANT.
5. All insurance policies, except Workers' Compensation and Professional Liability required by this Agreement, and self-insured retention or deductible portions, shall name, to the fullest extent permitted by law for claims arising out of the performance of this contract, the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insureds.
6. CONSULTANT's insurance shall be primary insurance over any insurance available to the CITY and as to any claims resulting from this contract, it being the intention of the parties that the insurance policies so effected shall protect both parties and be primary coverage for any and all losses covered by the described insurance.
7. The insurance policies, except Workers' Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against CITY, its agents, representatives, officers, directors, officials and employees for any claims arising out of CONSULTANT's acts, errors, mistakes, omissions, work or service.
8. The insurance policies may provide coverage, which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall be assumed by and be for the account of, and at the sole risk of CONSULTANT. CONSULTANT shall be solely responsible for the deductible and/or self-insured retention. The amounts of any self-insured retentions shall be noted on the Certificate of Insurance. CITY, at its option, may require CONSULTANT to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit. Self-insured retentions (SIR) in excess of \$25,000 will only be accepted with the permission of the Management Services Director/designee.
9. All policies and certificates shall contain an endorsement providing that the coverage

afforded under such policies shall not be reduced, canceled or allowed to expire until at least thirty (30) days prior written notice has been given to CITY.

10. Information concerning reduction of coverage on account of revised limits or claims paid under the General Aggregate, or both, shall be furnished by the CONSULTANT with reasonable promptness in accordance with the CONSULTANT's information and belief.
11. In the event that claims in excess of the insured amounts provided herein, are filed by reason of any operations under this contract, the amount of excess of such claims, or any portion thereof, may be withheld from payment due or to become due the CONSULTANT until such time as the CONSULTANT shall furnish such additional security covering such claims as may be determined by the CITY.

C.1 PROOF OF INSURANCE - CERTIFICATES OF INSURANCE

1. Prior to commencing work or services under this Agreement, CONSULTANT shall furnish to CITY Certificates of Insurance, issued by CONSULTANT's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Agreement are in full force and effect and obtain from the City's Risk Management Division approval of such Certificates.
2. If a policy does expire during the life of this Agreement, a renewal certificate must be sent to the City of Chandler five (5) days prior to the expiration date.
3. All Certificates of Insurance shall identify the policies in effect on behalf of CONSULTANT, their policy period(s), and limits of liability. Each Certificate shall include the job site and project number and title. Coverage shown on the Certificate of Insurance must coincide with the requirements in the text of the contract documents. Information required to be on the certificate of Insurance may be typed on the reverse of the Certificate and countersigned by an authorized representative of the insurance company.
4. CITY reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. CITY shall not be obligated, however, to review same or to advise CONSULTANT of any deficiencies in such policies and endorsements, and such receipt shall not relieve CONSULTANT from, or be deemed a waiver of CITY's right to insist on, strict fulfillment of CONSULTANT's obligations under this Agreement.

C.2 REQUIRED COVERAGE

1. Such insurance shall protect CONSULTANT from claims set forth below which may arise out of or result from the operations of CONSULTANT under this Contract and for which CONSULTANT may be legally liable, whether such operations be by the CONSULTANT or by a Sub-consultant or subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. Coverage under the policy will be at least as broad as Insurance Services Office, Inc., policy form CG00011093 or equivalent thereof, including but not limited to severability of interest and waiver of

subrogation clauses.

2. Claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to the Work to be performed;
3. Claims for damages because of bodily injury, occupational sickness or disease, or death of the Consultant's employees;
4. Claims for damages because of bodily injury, sickness or disease, or death of any person other than the Consultant's employees;
5. Claims for damages insured by usual personal injury liability coverage;
6. Claims for damages, other than to Work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;
7. Claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle; Coverage will be at least as broad as Insurance Service Office, Inc., coverage Code "I" "any auto" policy form CA00011293 or equivalent thereof.
8. Claims for bodily injury or property damage arising out of completed operations;
9. Claims involving contractual liability insurance applicable to the Consultant's obligations under the Indemnification Agreement;
10. Claims for injury or damages in connection with one's professional services;
11. Claims involving construction projects while they are in progress. Such insurance shall include coverage for loading and off loading hazards. If any hazardous material, as defined by any local, state or federal authorities are to be transported, MCS 90 endorsement shall be included.

C.2.1 Commercial General Liability - Minimum Coverage Limits

The Commercial General Liability insurance required herein shall be written for not less than \$1,000,000 limits of liability or ten percent (10%) of the Contract Price, whichever coverage is greater. Any combination between general liability and excess general liability alone amounting to a minimum of \$1,000,000 per occurrence (or 10% per occurrence) and an aggregate of \$2,000,000 (or 20% whichever is greater) in coverage will be acceptable. The Commercial General Liability additional insured endorsement shall be as broad as the Insurance Services, Inc's (ISO) Additional Insured, Form B, CG 20101001, and shall include coverage for CONSULTANT's operations and products, and completed operations.

C.2.2 General Liability - Minimum Coverage Limits

The General Liability insurance required herein, including, Comprehensive Form, Premises-Operations, Explosion and Collapse, Underground Hazard, Products/Completed Operations, Contractual Insurance, Broad Form Property Damage, Independent Consultants, and Personal Injury shall be written for Bodily

Injury and Property Damage Combined shall be written for not less than \$1,000,000 or 10% of the contract cost and with a \$2,000,000 aggregate.

C.2.3 Automobile Liability

CONSULTANT shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any owned, hired, and non-owned vehicles assigned to or used in performance of the CONSULTANT's work. Coverage shall be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00011293, or any replacements thereof). Such insurance shall include coverage for loading and off loading hazards if hazardous substances, materials or wastes are to be transported and a MCS 90 endorsement shall be included with coverage limits of \$5,000,000 per accident for bodily injury and property damage.

C.2.4 Worker's Compensation and Employer's Liability

CONSULTANT shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over CONSULTANT's employees engaged in the performance of the work or services; and, Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease coverage for each employee, and \$1,000,000 disease policy limit.

In case any work is subcontracted, CONSULTANT will require the Subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as required of CONSULTANT.

C.2.5 Professional Liability

CONSULTANT shall maintain Professional Liability insurance covering acts, errors, mistakes and omissions arising out of the work or services performed by DESIGN CONSULTANT, or any person employed by CONSULTANT, with a claims made policy limit of not less than \$1,000,000.