

EXHIBIT A

Black Canyon City Water District (DISTRICT) Field Operations

Black Canyon City Water Improvement District ("DISTRICT") for water production, treatment and distribution system operation ("Water Operations"). Routine will be priced as the contract cost and Non-Routine shall be any additional work outside of the Routine/Contract price.

I. OPERATOR DUTIES AND RESPONSIBILITIES

A. Routine Water Operation Tasks:

- a. All operation and maintenance of the DISTRICTS wells, treatment, equipment, tanks, lines, hydrants and meters. Operator will also be the Operator of Record for the Arizona Department of Environmental Quality (ADEQ), Arizona Department of Water Resources (ADWR) and other regulatory agencies as required.
- b. Conduct regular daily operational inspection of all system components.
- c. General maintenance of the well site, treatment, storage tanks site, field operations office/workshop, operations equipment & operations yard site.
- d. Operator response to alarms and all other emergencies.
- e. All compliance sampling/monitoring and delivery to certified lab; DISTRICT will be responsible for paying the lab fees when invoice is submitted.
- f. Review, update and submission of system Consumer Confidence Report (CCR).
- g. Review, update & presentation of the system Emergency Operations Plan (E.O.P.) shall be made to the Board and staff at each July Board meeting.
- h. Identification and consumer site confirmation of consumer compliance with DISTRICT Backflow Prevention Policy.
- i. Regulatory submittals for water utility operations.
- j. Routine meter installations
 - i. New meter installation where a lateral line exists.
 - ii. Replacement of aged meters. Up to five (5) per month.
- k. Meter check reads and re-reads.

- I. Meter reads, lock offs, reconnects & customer leak confirmation as requested by work orders.
 - m. Repairs to system distribution lines - up to 3 instances per month.
 - n. Annual valve exercise program.
 - o. Quarterly system line & hydrant flushing.
 - p. Blue stakes
 - q. Leak detection up to 8 hrs. per month.
 - r. Monthly documentation of all activities and progress reporting the 10th day of the next month.
 - s. Hydrant operation certification and zone valve control

B. Non-Routine Operation Tasks:

- a. Capital improvement projects.
- b. System line repairs beyond the 3 instances per month allowed in A above.
- c. Administration and supervision of third-party contractors used for non-routine operational tasks.
- d. Projects & programs identified as 'non-routine operations' by mutual agreement between DISTRICT Board of Directors, General Manager and Contractor.

II. TERMS AND CONDITIONS:

Fee: The agreed fee will be \$_____ per active meter per month for Routine Operation tasks. All Non-Routine Operation tasks will be billed at a flat rate of \$_____ per hour. Which begins the first of every month.

- A. The terms of this interim Agreement shall commence on April 1, 2026 and be in effect through April 1, 2029 with up to two (2) additional two (2) year renewals at the sole discretion of the **DISTRICT** Board.
 - a. Every July at the annual Board meeting, a performance review shall occur.
 - b. Thereafter, any modifications, additions, changes and/or negotiations of the terms of this Agreement shall occur not later than the last day of July in each year and take effect no later than September 1 of the following year.

- B. **Termination:** Early termination will be by mutual consent of the DISTRICT and Operator, or by each party separately with a minimum 90 day written notification.
- C. **DISTRICTS Rights:** The DISTRICT Board reserves the right to make reasonable policy and require Operator to follow and enforce such policy concerning the operations of the water system including purchase and delivery of material, conduct of drivers, operators and others on DISTRICT premises, and for any other matters necessary or desirable for the safe, legal and efficient operation of the water system.
- D. **Excused Non-Performance:** The performance of this Agreement may be suspended by either party in the event such performance is prevented by causes beyond reasonable control of such party. Such causes may include but are not limited to acts of God, acts of war, terrorism, riot, fire, explosion, accident, flood or sabotage, governmental laws, injunctions or restraining orders. Direction must be from the Board of Directors or their assigned/contracted General Manager.

E. Insurance:

- 1. **Workers Compensation:** Operator shall comply with all applicable Workers' Compensation and employer's liability laws in Arizona and shall furnish satisfactory proof of coverage to DISTRICT annually.
- 2. **Liability Insurance:** During the term of this Agreement, Operator shall maintain the following liability insurance coverage, list DISTRICT as an additional insured and shall furnish satisfactory proof of coverage to DISTRICT annually.
 - a. Commercial General Liability insurance with a general aggregate limit of \$2,000,000 which shall include bodily injury and property damage liability.
 - b. Products and Completed Operations coverage with an aggregate limit of \$1,000,000.
 - c. Personal and Advertising injury limit of \$1,000,000.
 - d. Business Automobile Liability insurance with a minimum single limit of \$1,000,000 for bodily injury and property damage with respect to Operator vehicles whether owned, hired or non-owned, assigned to or used in the performance of work.

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